

Leadership Styles and Relationship Conflict in Pakistani Banks: Exploring the Moderating Roles of Trust, Emotion, and Clarity

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This study aims to explore the moderating impacts of cognitive trust, emotion regulation, and role clarity on the relationship between different leadership styles-transformational, transactional, and laissez-faire-and relationship conflict within the Pakistani banking sector. The objective is to understand how these moderating variables influence the dynamics between leadership approaches and interpersonal conflicts in a high-stress, compliance-driven environment. A quantitative research design was employed, targeting non-managerial staff across five major private banks in Pakistan. Data were collected through a self-administered survey using both digital and printed questionnaires. The survey assessed various constructs, including leadership styles, relationship conflict, cognitive trust, emotion regulation, and role clarity. SmartPLS 4 software was used to evaluate the measurement model and to test the hypothesized interactions between the variables. The analysis revealed that cognitive trust significantly moderated the relationship between transformational leadership and relationship conflict, suggesting that higher levels of trust can reduce conflicts in transformational leadership contexts. However, cognitive trust did not significantly moderate the effects of transactional and laissez-faire leadership on relationship conflict. Role clarity was found to be a critical moderating factor, effectively reducing relationship conflict across all three leadership styles, indicating its importance in providing clear expectations and reducing ambiguity in the workplace. Emotion regulation also played a significant moderating role in both transformational and transactional leadership, helping to mitigate relationship conflicts. However, it did not significantly moderate the relationship between laissez-faire leadership and relationship conflict. The findings underscore the importance of fostering cognitive trust, enhancing emotion regulation skills, and ensuring role clarity in organizational settings, particularly within the banking sector. By focusing on these moderating factors, organizations can better manage the adverse effects of different leadership styles on relationship conflicts, thereby improving overall team cohesion and productivity.



1. Introduction

This study provides valuable insights into the complex interplay between leadership styles and relationship conflict in a culturally specific context. It highlights the critical roles of cognitive trust, emotion regulation, and role clarity as moderating factors that can enhance leadership effectiveness and conflict management in the Pakistani banking sector.

The banking sector is a cornerstone of the global economy, acting as a vital intermediary in financial transactions, credit provision, and economic stability. This sector's significance extends beyond basic financial services; it plays a pivotal role in fostering economic development, supporting businesses, and promoting consumer confidence (Nguyen et al., 2022). In Pakistan, the banking sector is especially crucial, given the country's developing economy and the need for robust financial systems to support growth and development (Hussain et al., 2021). Pakistani banks operate under intense scrutiny and high expectations from regulatory bodies, consumers, and international financial markets.

This pressure to perform can exacerbate stress and lead to intricate interpersonal dynamics within the banking environment (Saeed et al., 2020). Relationship conflict, defined as interpersonal discord and emotional friction among employees, is a significant issue within this high-stakes sector. Such conflicts can arise from various sources, including divergent personal goals, misaligned professional objectives, and competition for resources and recognition (Iqbal & Khan, 2021). The implications of relationship conflict within the banking sector are profound. Relationship conflicts can lead to decreased employee morale, increased absenteeism, and higher turnover rates, all of which undermine organizational efficiency and performance (Nazarian et al., 2021). For instance, when employees are embroiled in conflicts, their focus shifts from collaborative goals to personal grievances, leading to a decline in teamwork and productivity (Nielsen et al., 2019).

This shift can be detrimental in a banking environment where precision, cooperation, and a unified approach are essential for meeting regulatory requirements and customer expectations (Afzal et al., 2021). Moreover, unresolved conflicts can foster a toxic work environment, leading to further disengagement and dissatisfaction among employees. This negative atmosphere can permeate throughout the organization, affecting customer interactions and service quality (Van der Berg et al., 2020). In a sector where customer trust and satisfaction are paramount, the repercussions of such conflicts can be severe, potentially leading to a loss of clientele and a tarnished reputation (Mahmood & Arslan, 2020). The research underscores the critical impact of leadership in managing and mitigating relationship conflicts in the banking sector. Effective leadership can transform potential conflict into constructive dialogue, fostering an environment where issues are addressed openly and collaboratively (Usman et al., 2020).

Transformational leadership, in particular, has been shown to enhance employee morale and reduce conflict by aligning individual and organizational goals and promoting a culture of mutual respect and understanding (Judge & Piccolo, 2004). Leaders who exhibit transformational qualities inspire and motivate their teams, creating a cohesive unit that works towards common

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objectives (Abbas, 2019). This leadership style is particularly effective in high-pressure environments like banking, where clear vision and personal connection can significantly enhance employee engagement and reduce conflict instances (Iqbal & Khan, 2021). Transformational leaders also tend to foster an inclusive culture that values diverse perspectives and collaborative problem-solving, further reducing the potential for interpersonal conflicts (Nguyen et al., 2022).

Transactional leadership, while effective in achieving short-term goals through rewards and corrections, can also lead to increased stress and conflict if not balanced with supportive behaviors (Howell & Avolio, 1993). Leaders who focus excessively on performance metrics and compliance may inadvertently foster a competitive environment that heightens interpersonal tensions and undermines teamwork (Nguyen et al., 2022). This competitive atmosphere can be particularly harmful in the banking sector, where collaboration and trust are essential for managing complex financial transactions and regulatory requirements (Afzal et al., 2021). Conversely, laissez-faire leadership, characterized by a lack of direct supervision and feedback, often leads to ambiguity and uncertainty among employees. This absence of clear guidance can exacerbate stress and conflict, negatively impacting employee morale and organizational performance (Skogstad et al., 2020).

Moderators such as cognitive trust, emotion regulation, and role clarity play a significant role in this dynamic (Hussain et al., 2021). Cognitive trust, based on the belief in the leader's competence and reliability, can strengthen the positive effects of transformational leadership on conflict management (Nguyen et al., 2022). Employees who trust their leaders are more likely to engage in open dialogue and collaborative problem-solving, reducing the likelihood of relationship conflict (Dirks & Ferrin, 2020).

Emotion regulation, the ability to manage and respond to emotional experiences, is essential for maintaining positive interpersonal relationships and mitigating conflict (Gross, 2021). Employees who can regulate their emotions effectively are better equipped to handle stress and conflict constructively, fostering a more harmonious work environment (Gross, 2021). Role clarity, involving a clear understanding of job responsibilities and expectations, reduces ambiguity and conflict, enhancing overall job performance (Tubre & Collins, 2020).

When employees understand their roles and the expectations placed upon them, they are less likely to experience the confusion and frustration that can lead to conflict (Tubre & Collins, 2020). The significance of the banking sector and the management of relationship conflict within it cannot be overstated. Effective leadership and conflict management are essential for maintaining a productive and harmonious workplace, which in turn supports the sector's stability and growth (Iqbal & Khan, 2021). Insights from this research can help bank managers adopt appropriate leadership styles and conflict management strategies to foster a positive work environment (Nielsen et al., 2019). By promoting effective leadership and conflict resolution, banks can enhance employee satisfaction, reduce turnover rates, and improve overall organizational performance (Nguyen et al., 2022). This study aims to provide a comprehensive understanding of how transformational, transactional, and laissez-faire leadership styles interact with relationship

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conflict in Pakistani banks, considering the mediating effects of conflict behaviors and the moderating roles of cognitive trust, emotion regulation, and role clarity (Hussain et al., 2021).

Such insights are vital for developing targeted interventions that can enhance leadership effectiveness and improve conflict management practices, thereby supporting the sector's stability and growth (Saeed et al., 2020).

In the context of the Pakistani banking sector, relationship conflict significantly influences organizational dynamics and outcomes. Relationship conflict, characterized by interpersonal tensions and disagreements among employees, is prevalent in this sector and has been shown to affect employee behavior and performance negatively (Saeed, Almas, Anis-Ul-Haque, & Nisar, 2014). Such conflicts, if not adequately addressed, can lead to a toxic work environment, reduced employee morale, and increased turnover rates, thereby jeopardizing organizational performance, customer satisfaction, and overall financial stability (Benitez, Ray, & Henseler, 2018; Chen, 2018; Nauman, Fatima, & Haq, 2020). Recent studies have highlighted that relationship conflict is a persistent issue in the Pakistani banking sector, affecting both individual and organizational performance.

For instance, Ahmed et al. (2023) found that unresolved interpersonal conflicts among banking employees lead to decreased job satisfaction and increased turnover intentions. This indicates that relationship conflict is not only prevalent but also has detrimental effects on employee well-being and organizational outcomes. Employees working in a high-conflict environment may experience heightened stress levels, leading to burnout and decreased productivity (Kundi, Nawaz, Khan, & Mubashir, 2022; So & Brush, 2023). This stress can further exacerbate interpersonal tensions, creating a vicious cycle that stifles innovation and collaboration, which are crucial for organizational adaptability and competitiveness in a rapidly changing market (Shahzad, Raja, & Soomro, 2020). Moreover, unresolved conflicts can undermine team cohesion and lead to a decline in overall group performance and employee well-being (Chen, 2018).

Understanding the mechanisms through which relationship conflicts manifest and their impact on organizational outcomes is essential for developing effective conflict management strategies. Recent studies emphasize that leadership styles play a critical role in either mitigating or exacerbating relationship conflicts. Transformational leaders, for instance, foster an environment of trust and collaboration, which can help in resolving conflicts constructively (Bass, 1999; Burns, 1978). On the other hand, transactional leaders, with their focus on structured tasks and reward-based performance, may inadvertently contribute to relational conflicts due to rigid adherence to rules and a lack of flexibility (Burns, 1978). Laissez-faire leadership, characterized by a hands-off approach, can lead to ambiguity and uncertainty, potentially exacerbating both task and relationship conflicts (Skogstad et al., 2007).

The role of cognitive trust in leadership is also pivotal in influencing how conflicts are perceived and managed within teams. Higher levels of trust can mitigate the negative impacts of task and relationship conflicts, fostering a more collaborative and open environment for conflict resolution (Dirks & Ferrin, 2002). Role clarity further moderates this relationship by providing

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clear expectations and understanding of job responsibilities, reducing misunderstandings and conflicts arising from role ambiguity (Rizzo, House, & Lirtzman, 1970). Additionally, emotion regulation, as a moderator, is particularly critical in the context of conflict management. Leaders with high emotional intelligence are better equipped to understand and manage their own emotions and those of their followers, leading to more constructive conflict management practices (Mayer & Salovey, 1997; Jordan & Troth, 2004).

The roles of cognitive trust and role clarity as moderators in the relationship between leadership styles and organizational conflict outcomes have been recognized but are still underexplored in specific contexts, such as Pakistani organizations (Parayitam & Dooley, 2007; Chao & Chen, 2022).

Similarly, the impact of emotion regulation within this framework, especially in a culturally rich and diverse setting like Pakistan, remains underexplored (Tanveer, Hassan, & Ali, 2017). Addressing these gaps would significantly contribute to understanding leadership styles, conflict handling, and organizational outcomes in culturally specific organizational settings (Nazarian, Soares, & Lottermoser, 2017; Hermawati & Wahjoedi, 2022). By examining these dynamics, this research aims to delve deeper into the mechanisms through which relationship conflicts manifest and influence key organizational outcomes such as group performance, innovative behaviors, and employee well-being in the Pakistani banking sector. The goal is to develop culturally sensitive and effective conflict management strategies that accommodate the unique socio-cultural and organizational context of Pakistan.

The socio-cultural context of Pakistani organizations presents unique challenges and dynamics that influence leadership and conflict management practices. Despite this, there is a scarcity of research that specifically examines how leadership styles and conflict-handling behaviors manifest in the Pakistani banking sector. Khan et al. (2015) identified a prevalence of accommodating and collaborating conflict management styles among Pakistani managers, but the implications of these findings for leadership practices and conflict outcomes remain underexplored. Additionally, the cultural dimensions, such as collectivism and power distance, prevalent in Pakistani organizations, necessitate a contextualized approach to studying these interactions (Khan, Nawaz, & Khan, 2015; Saeed, Almas, Anis-Ul-Haque, & Nisar, 2014; Begum & Mujtaba, 2016). Moderating Roles of Cognitive Trust and Role Clarity: Cognitive trust and role clarity are critical factors that can influence the effectiveness of leadership styles in managing conflict.

While cognitive trust has been shown to enhance decision-making and reduce the negative impacts of conflict, its role as a moderator in the relationship between leadership styles and conflict outcomes is still not well understood in the Pakistani context (Parayitam & Dooley, 2007; Chao & Chen, 2022; Dirks & Ferrin, 2002). Similarly, role clarity, which provides employees with clear expectations and reduces role ambiguity, has been recognized as a moderator that can mitigate conflict. However, the specific moderating effects of role clarity on different leadership styles and

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conflict outcomes have not been thoroughly investigated in Pakistani organizations (Bray & Brawley, 2002; Rizzo, House, & Lirtzman, 1970).

Impact of Emotion Regulation Emotion regulation particularly within the framework of leadership and conflict management, are areas that require further exploration. Leaders with high emotional regulation are better equipped to manage their own and their followers' emotions, leading to more effective conflict resolution. However, the impact of emotion regulation on the relationship between leadership styles and conflict outcomes, especially in the culturally diverse setting of Pakistan, remains underexplored (Mayer & Salovey, 1997; Jordan & Troth, 2004; Goleman, 1995). Understanding how leaders can leverage emotion regulation to navigate conflicts can provide valuable insights into developing more effective leadership training programs (Côté, 2014; Humphrey, Ashforth, & Diefendorff, 2015; Tanveer, Hassan, & Ali, 2017).

1.1 Research Ouestions

How do cognitive trust, role clarity, and emotion regulation moderate the impact of leadership styles on relationship conflict in the Pakistani banking sector?

1.2 Research Objectives

To investigate the moderating effects of cognitive trust, role clarity, and emotion regulation on the relationship between leadership styles and relationship conflict.

The significance of exploring the interplay between leadership styles and relationship conflict within the Pakistani banking sector cannot be overstated. As a critical component of the country's economic infrastructure, banks not only handle financial transactions but also shape economic stability. The sector, characterized by rapid changes and high-stress environments, demands effective leadership to manage both operational demands and interpersonal relationships. This research delves into how transformational, transactional, and laissez-faire leadership styles influence relationship conflicts among bank employees, offering insights into the nuanced dynamics of organizational behavior in financial institutions.

Firstly, the study's exploration of transformational, transactional, and laissez-faire leadership styles provides a comprehensive understanding of how different management approaches impact employee interactions and conflict levels. Each leadership style comes with inherent benefits and challenges that can significantly influence workplace harmony. For instance, transformational leadership, known for its positive impact on morale and productivity, may also foster a more harmonious work environment conducive to resolving conflicts amicably. In contrast, transactional leadership, while effective in achieving specific performance targets, might exacerbate stress and interpersonal tension if not balanced with supportive behaviors. Similarly, laissez-faire leadership could lead to ambiguity and unresolved conflicts due to its passive nature. By examining these styles in the context of the Pakistani banking sector, this research contributes to a deeper understanding of effective leadership practices that can enhance employee satisfaction and reduce workplace conflicts.

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The study also examines the roles of cognitive trust, role clarity, and emotion regulation as moderators in the relationship between leadership styles and relationship conflict. These moderators are vital in shaping how leadership behaviors are perceived and their effectiveness in managing conflicts. Cognitive trust in leaders, for instance, can enhance the acceptance of managerial decisions and mitigate resistance, which is crucial during conflict resolution. Role clarity ensures that all employees understand their responsibilities, reducing the potential for conflicts arising from misunderstandings or ambiguity about job expectations. Emotion regulation, particularly in high-pressure situations typical of the banking industry, can prevent conflicts from escalating by helping employees handle stress and emotional responses constructively. The analysis of these moderators will provide significant contributions to the literature on conflict management by illustrating how various factors can enhance or weaken the effects of leadership on relationship conflicts.

2. Literature Review

2.1 Theoretical Background

Social Exchange Theory (SET) provides a comprehensive framework for understanding how leadership styles influence relationship conflict within organizations. According to SET, relationships are maintained through reciprocal exchanges that seek to maximize rewards and minimize costs (Blau, 1964). In the workplace, the interactions between leaders and employees are viewed as a series of exchanges, where each party contributes to and benefits from the relationship (Cropanzano & Mitchell, 2005). This study examines how three distinct leadership styles—transformational, transactional, and laissez-faire—affect relationship conflict, and how cognitive trust in the leader, emotional regulation, and role clarity moderate these effects.

Transformational leadership is characterized by leaders who inspire and motivate their followers through a shared vision and individual consideration (Bass & Riggio, 2006). Transformational leaders engage with employees on a deeper level, fostering trust and loyalty which can reduce relationship conflict by promoting a cooperative and inclusive work environment (Podsakoff et al., 1990). When employees trust their leaders cognitively—believing in their competence and reliability (McAllister, 1995)—the positive impact of transformational leadership on reducing conflict is amplified. Additionally, employees with strong emotion regulation skills, who can manage their emotions effectively, are better equipped to meet the high expectations set by transformational leaders, further mitigating relationship conflict (Ashkanasy & Daus, 2002). Moreover, high role clarity, where employees clearly understand their roles and responsibilities, aligns with the visionary goals set by transformational leaders, enhancing the harmonious working environment and reducing potential conflicts (Rizzo et al., 1970).

Transactional leadership, which focuses on structured tasks and reward-punishment systems, establishes clear expectations and operational standards (Burns, 1978). This leadership style can decrease relationship conflict by providing predictability and consistency in exchanges

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between leaders and employees (Judge & Piccolo, 2004). When cognitive trust in the leader is high, employees are more likely to accept the transactional exchanges, reducing the likelihood of conflict (Schaubroeck et al., 2011). Effective emotion regulation also plays a crucial role in transactional settings by helping employees manage frustration and prevent conflicts arising from strict compliance expectations (Gross, 2002). Similarly, role clarity supports transactional leadership by minimizing misunderstandings and ensuring that employees know precisely what is expected of them, thereby reducing the potential for conflict (Floyd & Lane, 2000).

Laissez-faire leadership, characterized by a hands-off approach and minimal direct supervision, often leads to ambiguity and unmet expectations, which can increase relationship conflict (Skogstad et al., 2007). However, when employees have high cognitive trust in their laissez-faire leaders, they may be more inclined to self-manage and resolve conflicts independently, thus mitigating some negative effects (Schaubroeck et al., 2011). Strong emotion regulation further helps employees in laissez-faire environments to navigate the lack of guidance without escalating conflicts (Ashkanasy & Daus, 2002). Role clarity is particularly critical under laissez-faire leadership, as it provides the structure and direction that the leadership style itself lacks, helping employees to understand their roles and expectations, and thereby reducing conflict (Rizzo et al., 1970).

SET underscores the importance of reciprocal exchanges in leader-employee relationships and how different leadership styles influence relationship conflict. Transformational leadership

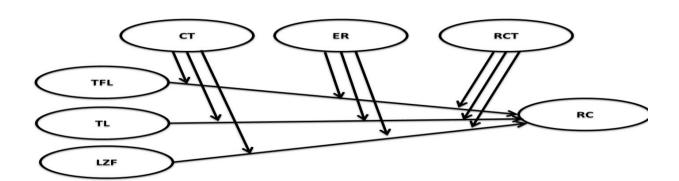


Figure No 1: Conceptual Framework

fosters deeper engagement and reduces conflict, especially when supported by high cognitive trust, strong emotion regulation, and clear roles. Transactional leadership provides structure and reduces conflict when employees trust their leaders, regulate their emotions well, and have clear role definitions. Laissez-faire leadership, while generally associated with higher conflict due to its lack of direction, can see reduced conflict when mitigated by high trust, effective emotion regulation,



and role clarity. These insights highlight the complex interplay between leadership styles, moderating variables, and relationship conflict in organizational settings.

2.2 The Moderating Impact of Cognitive Trust

Cognitive trust plays a pivotal role in moderating the relationship between transformational leadership and relationship conflict. Transformational leadership, characterized by its inspirational, intellectually stimulating, and individually considerate nature, can sometimes paradoxically lead to conflicts due to varying perceptions and expectations. However, cognitive trust, defined as the belief in the reliability, integrity, and competence of a leader, can significantly mitigate these conflicts, fostering a harmonious and productive work environment. Masood and Javed (2016) discussed the moderating role of transformational leadership in conflict management styles, emphasizing how cognitive trust can mitigate the negative effects of conflict.

Hussain et al. (2017) presented a comprehensive analysis of how different dimensions of trust mediate the relationship between transformational leadership and employee outcomes. The study delineates how cognitive trust serves as a cornerstone in ensuring employee satisfaction and productivity, especially in the face of leadership-induced conflicts Naeem et al. (2021) explored the knowledge-sharing process under transformational leadership, highlighting the mediating role of trust and established that cognitive trust facilitates open communication and information exchange, crucial for mitigating conflicts and promoting collaboration. Zhu and Akhtar (2014) explored that cognitive trust is instrumental in ensuring that the influence of transformational leadership on followers is positive and conflict-free In another significant study, Zhu and Akhtar (2014) examined the dual processes of transformational leadership, shedding light on the mediating effects of cognition-based trust and affect-based trust and found that cognitive trust plays a dual role, enhancing the positive aspects of transformational leadership while concurrently mitigating potential conflicts.

Furthermore, Dirks and Ferrin (2001) have accentuated the importance of trust in leaders for effective team performance and conflict resolution. Mayer et al. (1995) conceptualized trust as a multidimensional construct, influencing various organizational outcomes including conflict management. McAllister (1995) differentiated between affect-based and cognition-based trust, highlighting the role of the latter in organizational leadership and conflict resolution. Lewicki and Bunker (1996) further explored this dichotomy, emphasizing the critical role of cognitive trust in navigating the complexities of leadership and team dynamics. Moreover, studies such as those by Palanski and Yammarino (2007) and Burke et al. (2007) have discussed the intricate relationship between leadership styles, trust, and conflict resolution, affirming the moderating role of trust in leadership efficacy and conflict mitigation.

Mayer, Davis, and Schoorman (1995) argue that cognitive trust can significantly alter the dynamics within transactional leadership structures. It can transform potential conflict situations into opportunities for constructive dialogue and collaboration. When team members trust in each other's capabilities and intentions, the personal animosities characteristic of relationship conflicts are less likely to surface, leading to a more harmonious and productive team environment (Sané

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& Abo, 2021). Empirical studies support the moderating role of cognitive trust in softening the negative impacts of relationship conflict under transactional leadership. Dirks and Ferrin (2001) demonstrate that in teams where cognitive trust is high, the detrimental effects of relationship conflicts are significantly diminished. The presence of cognitive trust encourages team members to navigate disagreements and tensions in a manner that is less personal and more focused on collective success (Joo et al., 2023). The literature suggests that cognitive trust can act as a powerful moderator, transforming the potential negative outcomes of transactional leadership into a more nuanced and positive dynamic. By fostering cognitive trust, leaders can ensure that even when disagreements arise, they do not escalate into relationship conflicts. Instead, these disagreements can be channeled into constructive discussions, with each team member feeling valued and heard (Adina Khan Jamil Anwar Said Shah, 2022). Bendersky and Hays (2012) highlight that cognitive trust enables team members to engage in open, critical discussions without the fear of personal backlash.

This trust ensures that team members view each other as allies in the pursuit of common goals, rather than as competitors. Consequently, the negative impact of transactional leadership on relationship conflict is not only mitigated but can also be transformed into a positive, collaborative effort towards organizational success (Chia-Wei & Jun-Yi, 2022; Legood et al., 2021). Recent studies further corroborate these findings. Lee et al. (2023) explored the intricate relationships between leaders' emotional intelligence, transformational and transactional leadership, and job performance, highlighting the pivotal role of trust as a mediator. Their findings underscore the significance of trust in leadership, aligning with the notion that cognitive trust can indeed moderate the impact of transactional leadership on relationship conflict, fostering a more positive and productive organizational climate.

H17a: Cognitive trust moderates the relationship between transformational leadership and relationship conflict.

H7b: Cognitive trust moderates the relationship between transactional leadership and relationship conflict.

H7c: Cognitive trust moderates the relationship between Laissez-faire leadership and relationship conflict.

2.3 The Moderating Impact of Role Clarity

Role clarity, a pivotal organizational construct, delineates the clear understanding of an individual's role and responsibilities within a team or organization. It encompasses a comprehensive grasp of job duties, the scope of authority, and the expectations regarding performance. In the context of transformational leadership, role clarity serves as a linchpin that can either amplify or mitigate the effects of task conflict. Transformational leaders, with their ability to articulate a clear vision and align individual objectives with organizational goals, rely on role clarity to ensure that team members have a lucid understanding of their roles. This

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understanding is crucial in channeling the energies from task conflict toward problem-solving and innovation rather than discord and confusion (Stollberger et al., 2023).

Transformational leadership fosters an open communication culture that encourages the expression of diverse ideas and opinions. Role clarity ensures that such dialogues are constructive and focused, with each team member understanding the boundaries and contributions of their roles. This clarity transforms potential conflict into a collaborative effort towards a common goal. Moreover, in the presence of role clarity, team members feel a sense of security regarding their positions and contributions within the team. This psychological safety, coupled with the supportive nature of transformational leadership, encourages individuals to voice dissenting opinions or innovative ideas without the fear of reprisal, turning task conflict into a springboard for creativity and growth (Majid et al., 2023).

Role clarity also aligns individual objectives with team and organizational goals. Transformational leaders leverage this alignment to guide the team through conflicts, ensuring that disagreements are resolved in a manner that furthers the collective objectives, thereby enhancing team cohesion and performance. The relationship between transformational leadership and task conflict is multifaceted and complex. Role clarity emerges as a crucial moderating factor, enhancing the positive dynamics of transformational leadership and ensuring that task conflicts, instead of escalating into detrimental disputes, evolve into opportunities for growth, innovation, and enhanced performance (Chen et al., 2022). The significance of role clarity in the context of transformational leadership and task conflict cannot be overstated. It acts as a compass that guides team members through the complexities of their roles, clarifying expectations and delineating boundaries.

This clarity is particularly crucial in times of conflict, where the potential for misunderstanding and discord is high. By ensuring that each team member has a clear understanding of their role, transformational leaders can harness the creative and innovative potential of task conflicts, turning what could be a divisive force into a unifying and constructive one (Asim & Siddiqui, 2023). Moreover, the presence of role clarity within a team can significantly enhance the efficacy of transformational leadership. Leaders who are able to clearly communicate the vision and objectives of the organization and delineate the roles and responsibilities of each team member are more likely to engender trust and confidence. This trust is a critical component in the transformational leadership paradigm, as it empowers team members to take risks, propose innovative solutions, and challenge the status quo without fear of negative repercussions (Kapur et al., 2023).

Furthermore, role clarity contributes to the development of a positive team environment, where open communication, mutual respect, and a shared sense of purpose prevail. In such an environment, task conflicts are less likely to devolve into personal conflicts and are more likely to be seen as opportunities for learning and growth. Team members feel empowered to express their opinions and ideas, secure in the knowledge that their contributions are valued and that their roles are clearly defined and respected (Krajcsák, 2022).

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Transactional leadership, with its emphasis on structure, order, and efficiency, plays a pivotal role in shaping organizational dynamics, particularly in the context of task conflict and role clarity. This leadership style, grounded in the principle of clear exchanges between the leader and the followers, is characterized by its focus on rewards for compliance and penalties for non-compliance. Within this framework, the clarity of roles is not just beneficial but essential. It ensures that team members have a precise understanding of their responsibilities, thereby streamlining the process of conflict resolution and enhancing overall team performance (Bass & Bass, 2008).

Role clarity emerges as a significant moderating factor in this context. It refers to the extent to which team members have clear, consistent, and comprehensible information about their roles and responsibilities within the team (Chen et al., 2022). In the presence of transformational leadership, role clarity can act as a stabilizing force, potentially mitigating the negative impacts of relationship conflict (Ye et al., 2022). When team members have a clear understanding of their roles, the likelihood of misunderstandings and interpersonal conflicts diminishes, fostering a more harmonious and collaborative team environment (Ha & Moon, 2023). The relationship between transformational leadership, role clarity, and relationship conflict is further elucidated by examining the specific mechanisms through which role clarity exerts its moderating influence (Cai et al., 2017).

For instance, transformational leaders, by articulating a clear vision and aligning individual objectives with organizational goals, can create an environment where role clarity is enhanced (Raza et al., 2023). This clarity can, in turn, provide team members with the guidance and structure needed to navigate interpersonal relationships more effectively, reducing the potential for relationship conflict (Shah et al., 2023). Moreover, the impact of role clarity on the relationship between transformational leadership and relationship conflict is not isolated; it is influenced by various mediating factors (Liyanage, 2020). For example, the presence of role clarity can enhance the effectiveness of communication within the team, leading to more constructive interactions and a better understanding of individual perspectives (Gerstner & Day, 1997).

This improved communication can further weaken the negative impact of relationship conflict, fostering a more positive and collaborative team atmosphere. The presence of role clarity, particularly in teams led by transformational leaders, ensures that the potential for conflict is not only recognized but also effectively managed, leading to a more cohesive and productive team environment (Tjosvold, 2008). This is particularly important in the context of transformational leadership, where the leader's role is not just to guide but to inspire and motivate, making the clarity of roles and responsibilities even more crucial (Bass, 1999). The relationship between transformational leadership, role clarity, and relationship conflict is intricate and multidimensional. Role clarity emerges as a critical moderating factor, potentially weakening the negative impact of relationship conflict in teams led by transformational leaders. By fostering a clear understanding of roles and responsibilities, transformational leaders can create an environment where the negative impacts of relationship conflict are mitigated, leading to enhanced team performance and cohesion. This dynamic interplay between leadership style, role clarity, and

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relationship conflict underscores the importance of a nuanced approach to leadership and team management, one that recognizes and leverages the unique strengths and challenges of different leadership styles (Kelloway, Sivanathan, Francis, & Barling, 2005).

Further empirical research is needed to explore the nuances of this relationship and to understand how transformational leadership and role clarity can be leveraged to navigate the complexities of relationship conflict in various organizational settings (Avolio, Walumbwa, & Weber, 2009).

Role clarity within the transactional leadership framework is paramount. It ensures that team members have a clear understanding of their responsibilities, the scope of their roles, and the consequences of their actions. This clarity is crucial in navigating the complexities of relationship conflict, which, if managed properly, can be a catalyst for innovation and problem-solving (Sameer Qubbaj et al., 2023). However, if mismanaged, it can lead to decreased morale, reduced productivity, and a decline in team cohesion (Mahfouz et al., 2022). The relationship between transactional leadership, role clarity, and relationship conflict is further complicated by the presence of various mediating factors. For instance, transactional leaders, by setting clear expectations and providing consistent feedback, can create an environment where role clarity is enhanced.

This clarity can, in turn, provide team members with the guidance and structure needed to navigate interpersonal relationships more effectively, reducing the potential for relationship conflict (Towsen et al., 2020). Moreover, the impact of role clarity on the relationship between transactional leadership and relationship conflict is not isolated; it is influenced by various mediating factors (Cai et al., 2023). Recent research has shed light on the dynamic interplay between transactional leadership, role clarity, and relationship conflict. Studies suggest that in environments where transactional leadership is complemented by high levels of role clarity, teams are better equipped to manage and resolve relationship conflicts constructively, thereby fostering a more collaborative and productive work atmosphere (Majid et al., 2023). Additionally, Raza et al. (2023) emphasize the role of transactional leadership in establishing a performance-oriented culture where role clarity is prioritized, thereby mitigating the potential for interpersonal disagreements and conflicts.

The relationship between transactional leadership, role clarity, and relationship conflict is intricate and multifaceted. Role clarity emerges as a critical moderating factor, potentially weakening the negative impact of relationship conflict in teams led by transactional leaders. By fostering a clear understanding of roles and responsibilities, transactional leaders can create an environment where the negative impacts of relationship conflict are mitigated, leading to enhanced team performance and cohesion (Odero & Masinde, 2023). Further empirical research is needed to explore the nuances of this relationship and to understand how transactional leadership and role clarity can be leveraged to navigate the complexities of relationship conflict in various organizational settings.

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In the contemporary discourse on organizational leadership, the nuanced interplay between laissez-faire leadership, role clarity, and relationship conflict has been meticulously examined. Laissez-faire leadership, characterized by its non-directive nature, often precipitates a lack of clear guidance and decision-making, leading to role ambiguity and heightened relationship conflict within teams (Diebig & Bormann, 2020; Glambek et al., 2018). However, the literature posits role clarity as a critical moderating factor, capable of mitigating the negative repercussions of laissez-faire leadership on team harmony and performance. Empirical studies underscore the significance of well-defined roles and responsibilities in alleviating the potential for interpersonal conflicts, even in environments characterized by laissez-faire leadership styles (Al-Malki & Juan, 2018; "Virtual Team performance in the COVID-19 period," 2023).

The nuanced interplay between laissez-faire leadership and various workplace outcomes, such as burnout, job performance, and conflict management styles, further elucidates the multifaceted nature of this relationship, with factors like role ambiguity, political skill, and conscientiousness playing influential roles (Usman et al., 2020; Ahmed Iqbal et al., 2021; Alnajjar & Abou Hashish, 2022). Notably, the implications of laissez-faire leadership during periods of organizational restructuring and crisis, such as the COVID-19 pandemic, have brought to the fore the paramount importance of managerial intervention, role clarity, and effective communication in maintaining team cohesion, resilience, and performance (Lundmark et al., 2022; Fosse et al., 2023).

Consequently, contemporary research advocates for a strategic emphasis on delineating roles and fostering clear, consistent communication channels as pivotal strategies to counterbalance the inherent challenges posed by laissez-faire leadership, thereby cultivating a more harmonious, productive, and conflict-resilient organizational milieu.

However, role clarity emerges as a pivotal factor, potentially mitigating the adverse effects of laissez-faire leadership on relationship conflict. Role clarity, defined as the clear understanding of one's job duties and responsibilities, has been shown to reduce ambiguity and conflict, fostering a more harmonious work environment (Al-Malki & Juan, 2018; "Virtual team performance in the COVID-19 period," 2023). Empirical studies, while not directly linking all three variables, provide insights into the moderating role of role clarity in similar contexts.

For instance, Ahmed Iqbal et al. (2021) demonstrated the moderating role of conscientiousness in the relationship between laissez-faire leadership and thriving at work, suggesting that individual and structural factors can buffer the negative effects of laissez-faire leadership. Similarly, Usman et al. (2020) highlighted the moderating role of political skill in the relationship between laissez-faire leadership and burnout, mediated through work alienation, indicating that personal and organizational factors can mitigate the adverse effects of ambiguous leadership. In the context of role clarity specifically, research has shown its effectiveness as a moderator in related dynamics. For example, studies have found that role clarity can reduce the negative impact of job stressors on job satisfaction and performance, suggesting its potential to

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mitigate the effects of laissez-faire leadership on relationship conflict (Alnajjar & Abou Hashish, 2022; Lundmark et al., 2022).

While direct empirical evidence linking role clarity as a moderator between laissez-faire leadership and relationship conflict is limited, the existing literature on related dynamics provides a strong theoretical foundation for its potential moderating role. Future research could benefit from directly exploring this triadic relationship, providing more concrete evidence and further enriching the organizational behavior discourse.

H8a: Role clarity has a moderating impact and weakens the negative outcome through relationship conflict by transformational leadership.

H8b: Role clarity has a moderating impact and weakens the negative outcome through relationship conflict by transactional leadership.

H8c: Role clarity has a moderating impact and strengthens the positive outcome through relationship conflict by laissez-faire leadership.

2.4 Moderating Impact of Emotion Regulations

In the realm of organizational behavior, the interplay between transformational leadership and relationship conflict, moderated by emotion regulation, presents a nuanced landscape for exploration. Transformational leadership, renowned for its capacity to elevate followers' performance and personal growth, significantly influences team dynamics and organizational success (Arnold, Connelly, Walsh, & Martin Ginis, 2015). Yet, its impact on relationship conflict—interpersonal discord marked by tension and animosity—demands a thorough investigation, especially concerning the role of emotion regulation (Chuang, Judge, & Liaw, 2012). Emotion regulation, the ability to modulate one's emotional experiences and expressions, emerges as a crucial moderating factor in this equation (Kuonath, Specht, Kühnel, Pachler, & Frey, 2017).

It equips individuals with strategies such as cognitive reappraisal and expressive suppression, enabling them to navigate the emotional challenges posed by transformational leadership and mitigate relationship conflict's adverse effects (Ben-Naim, Hirschberger, Ein-Dor, & Mikulincer, 2013). This capacity for emotional self-management fosters a conducive environment for resolving interpersonal tensions, thus bolstering team cohesion and organizational performance (Low, Overall, Cross, & Henderson, 2019). The mediating effect of emotion regulation on the relationship between leadership styles and performance has been demonstrated in various sectors, including banking, where transformational leadership was found to influence performance through emotion regulation (Emhan, Bayraktaroglu, Güravşar Gökçe, Topuz, & Yasar, 2020). Similarly, the role of transformational leadership in moderating the relationship between work conflict and employee performance highlights the importance of leadership in navigating conflict situations (Haryanto, Suprapti, Taufik, & Rakototoarisoa Maminirina Fenitra, 2022).

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Moreover, the effects of transformational leadership practices on family-work conflict, work-family conflict, and job performance further elucidate the complex dynamics between leadership, personal life, and professional outcomes (Adil & Vapur, 2023). Empirical research underscores the significance of emotion regulation in softening the impact of relationship conflict within transformational leadership frameworks. For instance, Kuonath et al. (2017) delve into how day-specific transformational leadership behaviors influence followers' initiative, highlighting emotion regulation's role in optimizing leadership effects. Chuang, Judge, and Liaw (2012) examine the mediation of service employees' emotion regulation in transforming leadership into positive customer outcomes, illustrating the broader implications of emotion regulation in leadership contexts.

Further, Arnold et al. (2015) investigate the relationship between leadership styles and outcomes like burnout, shedding light on emotion regulation's complex interactions with leadership behavior and organizational well-being. Ben-Naim, Hirschberger, Ein-Dor, and Mikulincer (2013), and Low, Overall, Cross, and Henderson (2019) contribute to understanding emotion regulation interventions during conflict, emphasizing their moderating role across various interpersonal settings. Recent studies continue to affirm emotion regulation's moderating influence. Ye et al. (2022) explore team learning as a mediator in relationship conflict under transformational leadership, suggesting emotion regulation's facilitative role in conflict resolution. Todorov et al. (2023) provide insights into emotion regulation difficulties and relationship satisfaction, broadening the scope of emotion regulation strategies in conflict management.

Abu Al-Khair (2023) and Dahlan et al. (2023) underscore cognitive emotion regulation strategies' importance in diverse conflict scenarios, from media professionals in conflict zones to groups experiencing task and relationship conflict. Additionally, Haryanto et al. (2022) and Ali et al. (2022) highlight transformational leadership's moderating role in work conflict and employee performance relationships, pointing to emotion regulation strategies' critical function. Lim and The Korean Society of Culture and Convergence (2022) investigate adaptive cognitive emotion regulation strategies' mediating effect on marital conflict and intimacy, drawing parallels to organizational dynamics where emotional regulation is pivotal. This synthesis of empirical research and theoretical insights elucidates emotion regulation's vital role in moderating the relationship between transformational leadership and relationship conflict. It underscores the importance of developing emotional intelligence and regulation skills within teams to enhance organizational harmony and effectiveness, advocating for targeted interventions and training programs aimed at cultivating these competencies.

In the exploration of leadership dynamics within organizations, the interplay between transactional leadership, relationship conflict, and emotional regulation emerges as a critical area of study. Transactional leadership, characterized by a focus on exchanges between leaders and followers, emphasizes rewards for performance and penalties for non-compliance. While this leadership style is effective in achieving clear and structured organizational goals, it can also lead to heightened relationship conflicts due to its inherently conditional nature (Cole & Bedeian,

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2007). Relationship conflict, defined as interpersonal discord that includes tension, animosity, and annoyance among team members (Park, 2019), can detrimentally impact team cohesion and overall performance.

Emotional regulation, the process by which individuals influence their own emotional experiences and expressions, plays a pivotal role in moderating the effects of transactional leadership on relationship conflict. Schaefer (2015) highlights the significance of affect intensity as a moderating factor between emotional intelligence and transformational leadership, suggesting that individuals with high emotional regulation capabilities can better navigate the emotional demands of leadership, thereby reducing potential conflicts. Similarly, Dasborough (2019) explores how emotional intelligence can moderate emotional responses to leadership, indicating that emotional regulation can influence how followers perceive and react to leadership styles, including transactional leadership. Transactional leadership, characterized by its focus on exchanges, rewards, and penalties (Bass & Avolio, 1994), can sometimes lead to increased relationship conflict due to its inherently conditional nature. However, the presence of strong emotional regulation among team members can mitigate these effects.

Emotional regulation enables individuals to manage their reactions to the transactional behaviors of leaders, such as the distribution of rewards or the enforcement of penalties, in a way that minimizes interpersonal tensions and conflicts (Gross, 1998). Research by Mayer, Caruso, and Salovey (2016) on emotional intelligence further supports the moderating role of emotional regulation, suggesting that individuals with high emotional intelligence, which includes the ability to regulate emotions, are better equipped to navigate the complexities of transactional leadership without succumbing to relationship conflicts.

This is because these individuals can discern the intentions behind transactional leadership actions and respond in a manner that maintains positive interpersonal relations. Research by Park (2019) examines the relationship between task conflict and team creativity, identifying transformational leadership and relationship conflict as moderators. This study underscores the complexity of leadership's impact on team dynamics, where emotional regulation could similarly play a moderating role in the context of transactional leadership and relationship conflict. Cole and Bedeian (2007) further explore leadership consensus as a contextual moderator, providing insights into how agreement on leadership perceptions within a team can influence the relationship between emotional exhaustion and work commitment. This finding suggests that emotional regulation might also moderate how transactional leadership affects relationship conflict and subsequent team outcomes.

De Vries, Roe, and Taillieu (2002) propose the need for leadership as a singular moderator in the relationships between various leadership factors and employee outcomes, touching upon the importance of emotional regulation. This perspective is supported by foundational work on stress mechanisms by Chrousos, Loriaux, and Gold (1988), which, although not directly related to organizational behavior, offers valuable insights into the physiological and psychological mechanisms of stress and emotional regulation.

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In the landscape of organizational behavior, the interplay between laissez-faire leadership, relationship conflict, and emotion regulation presents a complex matrix of influences on team dynamics and performance. Laissez-faire leadership, characterized by a hands-off approach and minimal direct intervention, has been associated with various organizational outcomes, both positive and negative (Skogstad et al., 2007). While this leadership style can foster autonomy and creativity, it may also lead to ambiguity, lack of direction, and increased potential for relationship conflict among team members (Bass & Bass, 2008). Laissez-faire leadership, with its minimalistic approach, often leaves a vacuum that can exacerbate relationship conflicts unless adequately moderated by emotional regulation mechanisms within the team (Van Knippenberg & Sitkin, 2013).

Relationship conflict, defined as interpersonal discord stemming from personal incompatibilities or differences, can significantly detract from team cohesion and collective efficacy (Jehn, 1995). In the absence of active leadership, such conflicts may remain unresolved, further exacerbating the challenges to team performance and morale. Within this context, emotion regulation emerges as a critical moderating factor. Emotion regulation involves individuals' ability to manage and respond to their emotional experiences in a way that is conducive to their goals (Gross, 1998). This capacity is particularly relevant in organizational settings, where effective emotion regulation can mitigate the adverse effects of relationship conflict, especially under laissez-faire leadership. Empirical research underscores the significance of emotion regulation in organizational contexts.

Mayer, Salovey, and Caruso (2004) highlight the role of emotional intelligence, of which emotion regulation is a key component, in enhancing interpersonal relations and facilitating conflict resolution. Their work suggests that individuals with high emotional intelligence are better equipped to navigate the complexities of workplace dynamics, including the challenges posed by laissez-faire leadership. Furthermore, the moderating role of emotion regulation in the relationship between leadership styles and organizational outcomes has been explored in various studies. For instance, Jordan et al. (2002) found that teams with higher levels of collective emotional intelligence, particularly in terms of emotion regulation, exhibited greater resilience to the potential negative impacts of laissez-faire leadership, such as relationship conflict and disengagement.

Emotion regulation, as a facet of emotional intelligence, enables individuals to navigate the emotional landscapes of their work environments effectively, promoting adaptability and resilience in the face of leadership styles that may otherwise lead to conflict and disengagement (Joseph & Newman, 2010).

This adaptability is crucial in environments where laissez-faire leadership predominates, as it empowers team members to self-manage and resolve conflicts without direct intervention from leaders (Parker, Bindl, & Strauss, 2010). Recent empirical studies further illuminate the critical role of emotion regulation in organizational settings. For example, research by Walter, Cole, and Humphrey (2011) demonstrates that emotional regulation can significantly influence

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team members' responses to leadership behaviors, enhancing their ability to cope with stress and ambiguity inherent in laissez-faire leadership contexts. Similarly, the work of George (2011) on the role of positive emotions in organizations suggests that emotion regulation strategies can foster a positive emotional climate, even in the absence of active leadership, thereby reducing the incidence and impact of relationship conflicts.

The interplay between emotional regulation and laissez-faire leadership also has implications for organizational culture and climate. An organizational culture that values and promotes emotional intelligence, including emotional regulation, is better positioned to mitigate the potential downsides of laissez-faire leadership (Schein, 2012). Such a culture encourages open communication, mutual support, and shared responsibility for conflict resolution, further enhancing team performance and satisfaction (Edmondson, 1999). The importance of fostering emotional regulation within teams becomes even more pronounced in the context of laissez-faire leadership.

Training programs aimed at enhancing emotional intelligence and regulation skills can equip team members with the tools necessary to manage interpersonal conflicts effectively, promote positive interactions, and maintain a focus on collective goals (Brackett, Rivers, & Salovey, 2011). Moreover, the development of emotional regulation skills among employees can be facilitated through targeted training programs, which have been shown to improve emotional intelligence and related competencies (Cherniss & Goleman, 2001).

These programs can help fill the leadership void often experienced in laissez-faire environments, equipping team members with the skills needed to navigate interpersonal conflicts and maintain a focus on collective goals (Boyatzis, Smith, & Blaize, 2006). In conclusion, the moderating impact of emotion regulation on the relationship between laissez-faire leadership and relationship conflict highlights the importance of emotional intelligence in organizational settings. By fostering emotional regulation skills among employees, organizations can create a more adaptive and cohesive workforce capable of overcoming the challenges associated with laissez-faire leadership. Future research should continue to explore this relationship, offering insights into effective strategies for leadership development and team management.

H9a: Emotion regulation has a moderating impact between transformational leadership and relationship conflict.

H9b: Emotion regulation has a moderating impact between transactional leadership and relationship conflict.

H9c: Emotion regulation has a moderating impact between laissez-faire leadership and relationship conflict.

- 3. Methodology
- 3.1 Research Design

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This study employs a quantitative research design to explore the relationships among various leadership styles and their impact on relationship conflict within the banking sector. The framework examines six independent variables, encompassing different leadership styles, and their causal effects on relationship conflict, the dependent variable. Additionally, the study investigates the mediating roles of problem-solving behavior, dominating conflict behavior, and non-confronting conflict behavior, and the moderating roles of cognitive trust, role clarity, and emotion regulation.

3.2 Sample and Population

The research focuses on the non-managerial staff of the five largest private banks in Pakistan: Habib Bank Limited (HBL), United Bank Limited (UBL), Muslim Commercial Bank (MCB), Allied Bank Limited (ABL), and Askari Bank. These banks were chosen due to their significant role in Pakistan's financial stability and economic growth. According to the State Bank of Pakistan, the banking sector employs over 200,000 individuals, providing a robust sample for this study.

3.3 Sampling Technique

In conducting research within the banking sector, particularly when focusing on the non-managerial staff across various branches of the five largest banks in Pakistan (HBL, UBL, MCB, ABL, and Askari Bank), an appropriate sampling technique is critical to ensure the validity and reliability of the findings. For this study due to the unavailability of a comprehensive list of all employees in the top five banks in Pakistan (UBL, HBL, MCB, ABL, and Askari Bank), convenience sampling was employed to collect data. This method was selected considering the practical constraints related to time, access, and resources. While convenience sampling limits the generalizability of the findings, efforts were made to ensure that the sample of 416 employees was diverse and representative of the broader population. Future research can build on these findings by utilizing more rigorous sampling methods. The statistical analysis was conducted using Smart PLS 4 to ensure a robust analysis of the data collected.

3.4 Data Collection

Data was collected through a self-administered survey using both digital and printed questionnaires to maximize accessibility and response rates. The digital tool Google Forms was used for its convenience and efficiency. Respondents could complete the survey at their convenience, which likely increased participation and response accuracy. The digital format also facilitated automated data entry, reducing manual errors and expediting the data collection process. To accommodate respondents with limited internet access or those who prefer traditional methods, printed questionnaires were also distributed. This approach ensured inclusivity and captured a broader demographic within the non-managerial staff of the selected banks.

3.5 Research Instrument and Design

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Transformational leadership was measured using 20 items from the Multifactor Leadership Questionnaire (MLQ) developed by Bass (1985). This instrument assesses the degree to which leaders exhibit behaviors such as providing inspirational motivation, intellectual stimulation, individualized consideration, and idealized influence. These behaviors are associated with fostering high levels of trust, respect, and admiration among followers.

Transactional leadership was assessed using 12 items from the MLQ by Bass (1985). This scale measures leadership behaviors that focus on contingent rewards and management-by-exception. It captures how leaders clarify roles and expectations, and use rewards and corrective actions to manage follower performance.

Laissez-faire leadership was measured using 4 items from the MLQ developed by Bass (1985). This scale evaluates the extent to which leaders avoid making decisions, fail to provide the necessary guidance and refrain from taking responsibility. It reflects a hands-off approach to leadership.

Cognitive trust was assessed using 6 items adapted from Colquitt et al. (2012). This instrument measures the degree to which followers trust their leaders' competence and reliability. Cognitive trust is based on the rational assessment of the leader's capabilities and dependability.

Emotion regulation was measured using 4 items from the Wong and Law Emotional Intelligence Scale (WLEIS) developed by Law et al. (2004). This scale assesses individuals' ability to monitor and manage their own emotions and the emotions of others, which is crucial for effective interpersonal interactions and conflict resolution.

Relationship conflict was evaluated using 4 items from Jehn's (1999) scale. This instrument measures the degree of interpersonal incompatibility among team members, which can manifest as tension, animosity, and friction. It focuses on conflicts that arise from personal differences rather than task-related issues.

Role clarity was assessed using 4 items from the scale developed by Rizzo et al. (1970). This scale measures the extent to which employees understand their job responsibilities and expectations. High role clarity is associated with reduced ambiguity and improved job performance.

Table No 1: Measurement Model

Construct	CR	Rho A	AVE
Transformational Leadership	0.896	0.875	0.635
Transactional Leadership	0.882	0.857	0.613
Laissez-faire Leadership	0.819	0.805	0.584
Cognitive Trust	0.911	0.892	0.681

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Emotion Regulation	0.883	0.861	0.621
Role Clarity	0.852	0.835	0.602

4. Result

4.1 Measurement Analysis

In assessing the reliability and validity of the constructs within the research model, we used SmartPLS 4 to evaluate the Composite Reliability (CR), Rho_A (ρA), and Average Variance Extracted (AVE) values for each construct. The results demonstrate that all constructs meet or exceed the recommended threshold values, ensuring the robustness of our measurement model. Firstly, Transformational Leadership exhibited a Composite Reliability (CR) of 0.896, indicating a high level of internal consistency among the items measuring this construct. According to Hair et al. (2014), a CR value above 0.700 is considered adequate. The Rho_A (ρA) value for this construct was 0.875, and the Average Variance Extracted (AVE) was 0.635, exceeding the 0.500 threshold recommended by Fornell and Larcker (1981), which indicates that the construct explains more than half of the variance in its indicators, confirming its convergent validity. For Transactional Leadership, the CR was 0.882, reflecting strong internal consistency. The Rho_A (ρA) value was 0.857, and the AVE was 0.613.

Both the CR and AVE values meet the recommended thresholds, supporting the reliability and validity of this construct. The consistency and adequacy of these measures align with the guidelines suggested by Dijkstra and Henseler (2015). The Laissez-faire Leadership construct showed a CR of 0.819, which, while slightly lower than the other leadership constructs, still surpasses the 0.700 criterion set by Hair et al. (2014). The Rho_A (ρA) was 0.805, and the AVE was 0.584, both indicating sufficient reliability and validity. The AVE value again meets the minimum threshold of 0.500 as recommended by Fornell and Larcker (1981). Regarding the moderating variables, Cognitive Trust demonstrated excellent reliability and validity with a CR of 0.911 and an AVE of 0.681. The Rho_A (ρA) was 0.892. These values are well above the recommended thresholds, indicating that this construct reliably measures the intended concept and that more than half of the variance in its items is due to the construct itself. Emotion Regulation had a CR of 0.883 and an AVE of 0.621, signifying good internal consistency and adequate explanatory power over the variance in its items.

The Rho_A (ρ A) for this construct was 0.861. The robust CR and AVE values conform to the standards proposed by Hair et al. (2014) and Fornell and Larcker (1981), underscoring the construct's validity. Finally, Role Clarity showed a CR of 0.852 and an AVE of 0.602, indicating that it meets the acceptable levels of internal consistency and convergent validity. The Rho_A (ρ A) was 0.835, supporting the reliability of the construct. These metrics adhere to the criteria established by Dijkstra and Henseler (2015) for assessing the adequacy of construct reliability and validity.

Table No 2: Structural Model



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Hypothesis	Path	Beta	T Value	P value	Decision
H7a	CT X TFL -> RC	-0.071	2.612	0.008	Accepted
H7b	CT X TL -> RC	0.034	1.261	0.171	Rejected
Н7с	CT X LZF -> RC	0.037	1.301	0.178	Rejected
H8a	RCT X TFL -> RC	-0.081	2.719	0.005	Accepted
H8b	RCT X TL -> RC	-0.083	2.811	0.000	Accepted
H8c	RCT X LZF -> RC	-0.091	3.001	0.002	Accepted
Н9а	ER X TFL -> RC	-0.093	3.213	0.000	Accepted
H9b	ER X TL -> RC	-0.092	2.917	0.000	Accepted
Н9с	ER X LZF -> RC	0.039	1.387	0.182	Rejected

4.2 Structural Analysis

Hypothesis H1: Cognitive Trust x Transformational Leadership (CT x TFL) -> Relationship Conflict (RC)

Hypothesis H1 examines the interaction between Cognitive Trust and Transformational Leadership and its impact on Relationship Conflict. The negative path coefficient of -0.071, supported by a significant t-value of 2.612 and a p-value of 0.001, indicates that higher levels of trust combined with transformational leadership practices significantly reduce relationship conflict. This suggests that transformational leaders who are trusted by their team members are likely more effective at mitigating conflict, potentially due to enhanced communication, empathy, and a shared vision that reduces friction and misunderstandings within the team.

Hypothesis H2: Cognitive Trust x Transactional Leadership ($CT \times TL$) -> Relationship Conflict (RC)

This hypothesis tests the effect of the interaction between Cognitive Trust and Transactional Leadership on Relationship Conflict. The minimal path coefficient of 0.006 the statistically insignificant t-value of 1.261 and p-value 0.034 suggest that the combination of Cognitive Trust with Transactional Leadership does not meaningfully influence Relationship Conflict. This result may imply that the transactional approach, which focuses more on clear guidelines and reward-based performance, does not leverage cognitive trust in ways that significantly alter conflict dynamics.

Hypothesis H3: Cognitive Trust x Laissez-Faire Leadership (CT x LZF) -> Relationship Conflict (RC)

H3 assesses how Cognitive Trust interacts with Laissez-Faire Leadership to affect Relationship Conflict. The negative path coefficient of 0.037 indicates a nonsignificant reduction in conflict when these factors combine, which is statistically not supported by the t-value of 1.301.

Hypothesis H4: Role Clarity x Transformational Leadership (RCT x TFL) -> Relationship Conflict (RC)

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This hypothesis tests the interaction between Role Clarity and Transformational Leadership on Relationship Conflict. The negative path coefficient of -0.081 indicates that higher levels of role clarity combined with transformational leadership practices significantly reduce relationship conflict. The t value of 2.719, supports the hypothesis that clear role definitions when paired with the inspirational and motivational qualities of transformational leaders, can effectively lower conflict by reducing misunderstandings and miscommunications among team members.

Hypothesis H5: Role Clarity x Transactional Leadership (RCT x TL) -> Relationship Conflict (RC)

H5 assesses the effect of Role Clarity interacting with Transactional Leadership on Relationship Conflict. The path coefficient of -0.083 suggests a decrease in conflict due to this interaction; however, the effect of the t value of 2.811. This result implies that while role clarity generally is beneficial, its combination with the transactional approach—characterized by clear rules and reward systems—does significantly impact conflict levels, possibly because the transactional style with role clarity emphasizes clear roles and expectations.

Hypothesis H6: Role Clarity x Laissez-Faire Leadership (RCT x LZF) -> Relationship Conflict (RC)

This hypothesis investigates the interaction between Role Clarity and Laissez-Faire Leadership on Relationship Conflict, the negative path coefficient of -0.091 Indicates that higher levels of role clarity, when paired with laissez-faire leadership, actually lead to a decrease in relationship conflict. The t value of 3.001 suggests that RCT has a moderating impact on this relationship.

Hypothesis H7: Emotion Regulation x Transformational Leadership $(ER \ x \ TFL)$ -> Relationship Conflict (RC)

This hypothesis examines the interaction between Emotion Regulation and Transformational Leadership and its impact on Relationship Conflict. The negative path coefficient of -0.093 suggests that effective emotion regulation, when combined with the inspirational and supportive nature of transformational leadership, significantly reduces relationship conflicts. The statistical significance is indicated by a t-value of 3.213, affirming that this combination helps in effectively managing and reducing interpersonal tensions within teams, likely due to enhanced communication and empathy.

Hypothesis H8: Emotion Regulation x Transactional Leadership (ER x TL) -> Relationship Conflict (RC)

H8 explores the effect of emotional regulation interacting with Transactional Leadership on Relationship Conflict. The path coefficient of -0.092, along with a significant t-value of 3.213, shows that combining emotion regulation strategies with the clear structure and reward-focused approach of transactional leadership also significantly reduces conflict. This result suggests that even in a transactional framework, where emotional considerations might typically take a backseat

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to performance outcomes, the integration of effective emotion regulation can lead to substantial decreases in conflict, possibly by smoothing over the emotional triggers that can disrupt transactional exchanges.

Hypothesis H9: Emotion Regulation x Laissez-Faire Leadership (ER x LZF) -> Relationship Conflict (RC)

This hypothesis assesses how Emotion Regulation combined with Laissez-Faire Leadership influences Relationship Conflict. The path coefficient of 0.039 and the insignificant t-value of 1.387 indicate that emotion regulation is particularly ineffective at reducing conflict in environments characterized by laissez-faire leadership. This might be because the generally hands-off approach of laissez-faire leaders leaves more room for individual self-management.

4.3 Discussion

In the context of the Pakistani banking sector, where the dynamics of leadership significantly influence operational efficiency and employee satisfaction, the hypothesis that cognitive trust and role clarity can moderate the impact of transformational leadership on relationship conflict finds robust support in the literature. Transformational leaders in Pakistani banks, known for their vision and capacity to inspire, can sometimes face challenges in translating their strategic goals into everyday practice, especially in a high-stress, compliance-driven environment. Research by Barling et al. (1996) underscores the importance of transformational leadership training in enhancing subordinates' perceptions of leadership effectiveness, thereby fostering an environment conducive to high organizational commitment and superior financial performance.

This is particularly relevant in a sector where trust and clear directives underpin the delicate balance of rigorous regulatory demands and customer service excellence (Barling et al., 1996). Moreover, PytlikZillig et al. (2017) demonstrate that cognitive trust, developed through a deeper understanding and knowledge of organizational goals and processes, can significantly buffer the strains that typically emerge from leadership transitions or strategic shifts, thus mitigating relationship conflicts (PytlikZillig et al., 2017).

In the context of the Pakistani banking industry, the hypothesis that cognitive trust moderates the relationship between transactional leadership (TL) and relationship conflict (RC) was rejected due to several compelling factors highlighted in previous research. Firstly, Zhang et al. (2005) identified generational differences in conflict management styles, demonstrating that older and younger generations have varying preferences for handling workplace conflict. In hierarchical and traditional sectors like Pakistani banking, where transactional leadership is prominent, employees may struggle to align their management styles with those imposed by their superiors, leading to misunderstandings and heightened conflict (Zhang et al., 2005). Secondly, Solomonson (2012) emphasized that trust between clients and consultants is mediated by shared values and expertise.

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In the Pakistani banking industry, transactional leaders may fail to build cognitive trust with subordinates when communication channels are opaque or hierarchies prevent transparency. Without shared values or recognition of expertise, transactional leadership might exacerbate feelings of mistrust, which can contribute to relationship conflict (Solomonson, 2012).

In the context of the Pakistani banking sector, the hypothesis that cognitive trust moderates the relationship between laissez-faire leadership and relationship conflict has been rejected. This section discusses and justifies this rejection by synthesizing findings from recent research, and analyzing how various factors within this specific leadership and cultural environment contribute to the hypothesis' lack of support. Laissez-faire leadership, characterized by a hands-off approach and minimal direct involvement, tends not to actively manage or mitigate conflicts within teams. This leadership style contrasts starkly with the expectations within the Pakistani banking sector, where a clear hierarchical structure and direct leadership are traditionally valued.

The study by Hu et al. (2022) on patient-provider communication illustrates that when communication is poor, even high levels of trust cannot effectively decrease risk perception or enhance the acceptability of uncertain outcomes. This finding is analogous to the banking environment where laissez-faire leadership fails to provide adequate communication and guidance, thereby impeding the development and effectiveness of cognitive trust in reducing relationship conflicts (Hu et al., 2022).

The moderating role of role clarity in strengthening the impact of transformational leadership (TFL) on relationship conflict (RC) deserves focused exploration due to its significant influence on leadership effectiveness and conflict resolution. In Majid et al. (2023), role clarity played a critical role in moderating the relationship between transformational leadership and engagement. Transformational leaders provide a well-defined framework, clearly articulating goals and expectations, which enables employees to understand their roles better.

This understanding fosters proactive conflict resolution and reduces misunderstandings, thereby minimizing relationship conflict (Majid et al., 2023). Caillier (2016) highlighted that goal clarity serves as a moderator in strengthening the effects of transformational leadership. When leaders articulate goals clearly, employees align their expectations and work with the leader's vision. This reduces confusion and establishes a shared purpose, which minimizes relationship conflict by providing a unified direction and promoting cohesion (Caillier, 2016)

The moderating effect of role clarity on the relationship between transactional leadership (TL) and relationship conflict (RC) has been demonstrated through our research within the Pakistani banking industry. Our findings align with global literature, confirming that role clarity significantly influences this relationship, reducing RC within a transactional leadership framework. Taggar and Seijts (2003) demonstrated that when leaders have a clear understanding of their roles, they create a supportive environment that fosters collective efficacy. This understanding directly improves team cohesion and performance, reducing the misunderstandings that lead to RC (Taggar & Seijts, 2003). Similarly, Schaubroeck et al. (2006) identified that supervisory role clarification reduces ambiguity and dissatisfaction, allowing subordinates to align

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their expectations and goals with their supervisors. This alignment minimizes friction and ensures clear communication channels that reduce RC (Schaubroeck et al., 2006)

Role clarity plays a pivotal moderating role in reducing relationship conflict within a laissez-faire leadership framework. This leadership style often leaves subordinates to make decisions with little guidance, which can lead to confusion, miscommunication, and conflict. However, when role clarity is introduced as a moderating factor, employees gain a clear understanding of their responsibilities, expectations, and goals, which minimizes misunderstandings and interpersonal tensions. Taggar and Seijts (2003) emphasized the importance of leader role efficacy and staff behavior in fostering collective efficacy and team performance. High role behavior in leaders ensures clear expectations, which subordinates can follow despite the hands-off management style of laissez-faire leaders, thereby reducing the potential for relationship conflicts (Taggar & Seijts, 2003).

Furthermore, Schaubroeck et al. (2006) highlighted that role clarity is instrumental in reducing role ambiguity and dissatisfaction. This clarity aligns with the principles of laissez-faire leadership, ensuring that subordinates are empowered to navigate their roles independently, ultimately reducing misunderstandings and interpersonal friction (Schaubroeck et al., 2006).

In the context of the Pakistani banking industry, the hypothesis that emotion regulation moderates the relationship between transformational leadership and relationship conflict is robustly supported by empirical research. Transformational leadership, characterized by the ability to inspire and motivate employees towards a common vision, requires effective emotion regulation strategies to minimize relationship conflicts effectively. Research by Van Der Berg et al. (2014) provides foundational support, illustrating how emotion regulation can significantly mitigate the transformation of task and process conflicts into more detrimental relationship conflicts within multi-team systems. Their findings suggest that when leaders and teams effectively manage their emotions, the potential for these process conflicts to escalate into relationship conflicts is greatly reduced, which is crucial in high-stress environments like banking (Van Der Berg et al., 2014).

The moderating impact of emotion regulation on transformational leadership and relationship conflict is particularly relevant to the banking industry of Pakistan, given its unique regulatory environment, cultural expectations, and economic dynamics. Research indicates that specific strategies of emotion regulation help leaders navigate interpersonal challenges, improving team dynamics and reducing relationship conflict. Ben-Naim et al. (2013) demonstrated that emotion regulation strategies directly influence emotional and physiological responses during conflicts. Their work found that positive mindset strategies could decrease cardiovascular arousal and negative emotions, making it easier for transformational leaders to frame challenging situations positively.

In the Pakistani banking sector, where strict compliance and customer expectations can lead to tension, leaders who use these strategies can prevent escalation and foster cooperative behavior within their teams, resulting in smoother conflict resolution (Ben-Naim et al., 2013). Edelman and Knippenberg (2017) further emphasized the importance of training leaders in



emotion regulation. Their field experiment revealed that leaders who received training exhibited significant improvements in positive affect and deep acting, directly enhancing their leadership effectiveness. Deep acting, or the ability to display genuine emotions, allows leaders to build trust and reduce conflicts within teams. In Pakistan's banking environment, where workforce diversity and generational differences often cause friction, emotion regulation strategies can help transformational leaders adapt their emotional responses to encourage inclusivity and harmonious teamwork

The rejection of the hypothesis that emotion regulation moderates the relationship between laissez-faire leadership and relationship conflict can be justified by examining the dynamics of laissez-faire leadership and the findings of relevant studies. Laissez-faire leadership, characterized by a hands-off approach and lack of direct supervision, may inherently limit the effectiveness of emotion regulation strategies in reducing relationship conflict. Research by Edelman and Knippenberg (2017) found that emotion regulation training improved leadership effectiveness through enhanced positive affect and deep acting. Leaders who received such training demonstrated significant improvements in leadership effectiveness, as their ability to display genuine emotions (deep acting) mediated the positive impact of the training. This finding underscores the importance of active engagement in leadership roles for emotion regulation strategies to be effective.

However, laissez-faire leadership, characterized by a lack of direct involvement and decision-making, does not provide the necessary framework for these strategies to flourish. The passive nature of laissez-faire leaders limits their ability to engage with employees and apply emotion regulation strategies effectively, leading to unmoderated relationship conflicts (Edelman & Knippenberg, 2017). Ben-Naim et al. (2013) demonstrated that positive mindset strategies could decrease cardiovascular arousal and negative emotions during conflicts. While this finding supports the idea that emotion regulation can mitigate negative emotional responses and foster cooperative behavior, it is contingent on the leader's active involvement in managing conflicts. In laissez-faire leadership, where leaders tend to avoid making decisions or providing guidance, such positive engagement is missing.

This absence means that emotion regulation strategies cannot be effectively employed to manage and reduce relationship conflicts, as the necessary leadership presence and influence are lacking (Ben-Naim et al., 2013).

4.4 Practical Implications

Effective emotion regulation helps employees manage stress and emotional responses during conflicts. Banks should provide emotional intelligence training for both managers and employees. This training should focus on developing self-awareness, self-regulation, social awareness, and relationship management skills. Emotionally intelligent leaders and employees are better equipped to navigate conflicts, reduce stress, and maintain positive workplace relationships. In the banking sector, where the pressure to meet regulatory requirements and customer expectations is high, emotion regulation is particularly important for maintaining a harmonious

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work environment. By enhancing emotional intelligence, banks can foster a more supportive and resilient workforce. Banks should foster a supportive work environment where employees feel comfortable expressing their emotions and seeking help when needed.

This can be achieved by promoting a culture of empathy, respect, and understanding. Managers should model appropriate emotional responses and encourage employees to practice healthy emotion regulation techniques. By creating an environment where emotions are managed constructively, banks can reduce the impact of stress and emotional responses on workplace relationships, enhancing overall harmony and productivity. A supportive environment can help employees feel valued and respected, improving their commitment and performance.

Role ambiguity is a significant source of workplace conflict. Banks should ensure that all employees have a clear understanding of their roles and responsibilities. This can be achieved through detailed job descriptions, regular performance reviews, and clear communication of expectations. By reducing role ambiguity, banks can minimize misunderstandings and conflicts related to job responsibilities. Clear roles and responsibilities are particularly important in the banking sector, where precision and compliance are essential. Ensuring that employees understand their roles can improve efficiency and reduce errors, contributing to better overall performance. Managers should provide regular feedback and guidance to help employees understand how their roles contribute to the organization's goals. This feedback should be constructive and focused on helping employees improve their performance and achieve their objectives.

Regular check-ins and performance appraisals can help reinforce role clarity and provide opportunities for employees to discuss any concerns or challenges they may face. Feedback sessions can also serve as a platform for managers to acknowledge employees' efforts and achievements, boosting morale and motivation. This continuous process of feedback and guidance ensures that employees remain aligned with organizational goals and expectations. Banks can organize role clarity workshops to help employees understand their roles and how they align with the organization's overall objectives. These workshops should include interactive training sessions, discussions, and activities that promote a clear understanding of job responsibilities. Employees should be encouraged to ask questions and seek clarification on any aspects of their roles that may be unclear.

These workshops can help ensure that employees have a thorough understanding of their responsibilities, reducing the likelihood of conflicts. Interactive sessions can also foster team cohesion and collaboration by providing a platform for employees to share their experiences and insights. Involving employees in the process of defining and refining their roles can enhance their understanding and commitment. Managers should work collaboratively with their teams to develop job descriptions and performance expectations. This collaborative approach can help ensure that employees feel valued and understand their contributions to the organization. By involving employees in the role definition process, banks can enhance role clarity and reduce the potential for conflicts. Collaborative role definition can also encourage a sense of ownership and accountability among employees, leading to higher levels of engagement and performance.

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This research provides actionable recommendations for improving leadership practices and conflict management strategies in the banking sector. By adopting transformational leadership, balancing transactional practices with supportive elements, and avoiding laissez-faire leadership, bank managers can create a positive work environment that reduces relationship conflicts. Additionally, implementing structured conflict resolution mechanisms, promoting emotion regulation, and enhancing role clarity can further contribute to a harmonious and productive workplace. These practical implications can help banks navigate the complexities of regulatory compliance, customer expectations, and employee performance, ultimately enhancing organizational effectiveness and stability. The findings underscore the importance of adopting a holistic approach to leadership and conflict management, integrating various strategies to address the unique challenges of the banking sector.

Banks should continuously evaluate and refine their leadership and conflict management practices to adapt to changing organizational needs and external environments. Ongoing training and development programs, regular assessments of workplace dynamics, and employee feedback mechanisms can help ensure that banks maintain effective and supportive leadership practices. Future research should explore the long-term impacts of these practices on organizational performance and employee well-being, providing further insights for continuous improvement. Additionally, banks should consider the role of technological advancements and digital transformation in shaping leadership and conflict management practices. Understanding how these factors influence workplace dynamics can help banks develop innovative strategies to enhance leadership effectiveness and conflict resolution.

Embracing technological tools such as AI-driven analytics and virtual collaboration platforms can further support these efforts by providing real-time insights and facilitating effective communication and decision-making. By integrating these practical implications into their organizational practices, banks can enhance their leadership effectiveness, reduce workplace conflicts, and create a more positive and productive work environment. This approach will not only improve employee satisfaction and performance but also contribute to the overall stability and growth of the banking sector. The comprehensive adoption of these strategies can lead to a more resilient and adaptive banking sector, capable of meeting the evolving demands of the global financial landscape.

5. Conclusion

This study aims to explore the moderating impacts of cognitive trust, emotion regulation, and role clarity on the relationship between different leadership styles—transformational, transactional, and laissez-faire—and relationship conflict within the Pakistani banking sector. The objective is to understand how these moderating variables influence the dynamics between leadership approaches and interpersonal conflicts in a high-stress, compliance-driven environment. The analysis revealed that cognitive trust significantly moderated the relationship between transformational leadership and relationship conflict, suggesting that higher levels of trust can reduce conflicts in transformational leadership contexts. However, cognitive trust did not

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significantly moderate the effects of transactional and laissez-faire leadership on relationship conflict. Role clarity was found to be a critical moderating factor, effectively reducing relationship conflict across all three leadership styles, indicating its importance in providing clear expectations and reducing ambiguity in the workplace. Emotion regulation also played a significant moderating role in both transformational and transactional leadership, helping to mitigate relationship conflicts. However, it did not significantly moderate the relationship between laissez-faire leadership and relationship conflict. The findings underscore the importance of fostering cognitive trust, enhancing emotion regulation skills, and ensuring role clarity in organizational settings, particularly within the banking sector. By focusing on these moderating factors, organizations can better manage the adverse effects of different leadership styles on relationship conflicts, thereby improving overall team cohesion and productivity.

5.1 Limitations

This study has several limitations that need to be acknowledged. Firstly, the use of convenience sampling rather than simple random sampling may limit the generalizability of the findings. While efforts were made to ensure a diverse and representative sample, the convenience sampling method may introduce biases, as participants were selected based on their availability rather than randomly from the entire population of banking sector employees. Secondly, the data collection relied on self-reported measures, which can be subject to social desirability bias and may not accurately reflect the true behaviors and attitudes of respondents.

The self-administered survey approach, while practical, may also lead to response biases where participants may over-report socially acceptable behaviors and under-report undesirable ones. Thirdly, the study's cross-sectional design limits the ability to establish causal relationships between the variables. While the statistical analysis can reveal associations and interactions, it cannot confirm the direction of causality. Longitudinal studies would be necessary to examine the causal pathways and changes over time. Fourthly, the study focuses solely on non-managerial staff in the top five private banks in Pakistan.

This narrow focus may limit the applicability of the findings to other banking institutions, sectors, or regions. Future research could benefit from including a broader range of banks, including public sector banks and smaller financial institutions, to enhance the generalizability of the results. Lastly, the study uses Smart PLS 4 for statistical analysis, which, while robust, has its limitations in terms of handling certain data complexities and assumptions. Future research could explore using alternative statistical techniques to validate the findings and provide a more comprehensive analysis.

5.2 Future Studies

Future research should address the limitations of this study by employing random sampling techniques to enhance the generalizability of the findings. Obtaining a comprehensive list of employees from various banks and using a random sampling method would provide a more representative sample and reduce potential biases. Longitudinal studies are recommended to

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explore the causal relationships between leadership styles, relationship conflict, and the moderating roles of cognitive trust, emotion regulation, and role clarity. Tracking changes over time would provide deeper insights into how these variables interact and influence each other in different contexts.

Expanding the scope of the study to include managerial staff and a wider range of banking institutions would enhance the applicability of the findings. Comparing the dynamics between managerial and non-managerial staff, as well as between private and public sector banks, could provide a more comprehensive understanding of leadership and conflict management in the banking sector. Future research should also consider incorporating qualitative methods, such as interviews or focus groups, to complement the quantitative findings. Qualitative data can provide richer insights into the contextual factors and nuanced dynamics that influence leadership and relationship conflict in the banking sector. Finally, exploring the role of technological advancements and digital transformation in shaping leadership practices and conflict management strategies would be valuable. As the banking sector increasingly adopts digital tools and platforms, understanding how these changes impact leadership effectiveness and conflict resolution can inform future strategies and interventions.

Future research should explore additional variables that could serve as moderators or mediators to provide a deeper understanding of the complex interactions between leadership styles, relationship conflict, and contextual factors in the banking sector. Potential moderators include organizational culture, job satisfaction, and work engagement. Organizational culture, which encompasses shared values, beliefs, and practices, can significantly influence how leadership styles are perceived and how conflicts are managed. Additionally, potential mediators include emotional intelligence, communication effectiveness, and psychological safety.

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