

STUDY OF EMPLOYING MEDIATION AS A DISPUTE RESOLUTION METHOD IN THE SRI LANKAN CONSTRUCTION INDUSTRY

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ABSTRACT

Mediation is becoming a popular method for dispute resolution in worldwide construction industry due to the benefits it produces comparing to the arbitration, and adjudication. It was identified that mediation can be used for any kind of dispute arise in construction industry and it gives a positive effect to the consistency of the construction project. Further, it was identified that most of the cases which was previously dealt using either arbitration or adjudication, were successfully dealt with by using mediation process. Due to the benefits of mediation, it is a trend of doing researches to increase the usage of mediation for dispute resolution in various countries. Past researches indicate that arbitration is the most popular construction dispute resolution method in Sri Lanka even though it has many deprival. No such studies about construction mediation were done in the resent past in Sri Lanka. Therefor it is important to do a study about the employment of mediation in Sri Lankan construction industry.

A mixed methodology was used in the research. Quantitative data were collected through a questionnaire survey to identify the usage of mediation, user perception factors, and barriers for greater use of mediation. Qualitative data collection through 20 semi-structured, expert interviews were analyzed by content analysis.

The research found a limited detailed awareness of mediation within the Sri Lankan construction industry due to a lack of detailed knowledge among industry stakeholders and a lack of emphasis from construction contracts. It was identified that lack of communication and lack of trust and understanding between parties had a considerable impact towards the limited use of mediation in Sri Lanka. Moreover, the steps to be taken to increase the usage and effectiveness of construction mediation were identified.

Key Words: - *Mediation, Alternative Dispute Resolution, Arbitration, Adjudication*