



RESEARCH ARTICLE

Power of inclusive leadership: exploring the mediating role of identity-related processes and conditional effects of synergy diversity climate in nurturing positive employee behaviors

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Abstract

Based on the fundamental principles of social identity theory, this study examines how inclusive leadership can help build employees' organizational identification, stimulate leader-directed helping behavior, and improve task performance by facilitating insider status and relational coordination. Furthermore, we explored how these relationships are conditional on the synergy diversity climate in a moderated mediation model. We collected temporally segregated data ($n = 300$) from employees in diverse workforces at three time intervals with a 2-week gap between intervals. The results support the indirect effects of inclusive leadership on employee outcomes through the development of perceived insider status and relational coordination. Additionally, these indirect effects are more pronounced at higher levels of a synergy diversity climate. In conclusion, our study offers critical insights into the diversity and leadership literature by answering why and under what conditions an inclusive leader can generate favorable employee outcomes.

Key words: inclusive leadership; leader-directed helping behavior; organizational identification; perceived insider status; relational coordination; synergy diversity climate; task performance

Introduction

Globalization and technological changes have reshaped the organizational landscape. The workforce is more diverse than ever, with employees of various skills, genders, ages, cultures, and religions (Podsiadlowski, Gröschke, Kogler, Springer, & Van Der Zee, 2013). The impact of a diverse workforce on organizational and individual outcomes has received significant attention in the literature (Van Knippenberg, De Dreu, & Homan, 2004; Williams & O'Reilly, 1998). Although diversity has the potential to produce both positive and negative outcomes, this scholarship aims to identify factors that engender positive work outcomes and minimize the adverse outcomes associated with a diverse workforce (Mitchell, Boyle, Parker, Giles, Chiang, & Joyce, 2015). Inclusion and inclusive practices have been found to hold immense promise as an integral approach to managing diversity (Roberson, 2006; Shore et al., 2009). More specifically, leaders are significant in promoting and implementing inclusion at work (Brannen & Thomas, 2010; Nembhard & Edmondson, 2006), with inclusive leadership being the most impactful relational leadership style (Nishii & Mayer, 2009).

Nembhard and Edmondson (2006) coined the term inclusive leadership, which refers to leader behaviors that invite and appreciate inputs from others and thus help shape team members'

beliefs that ‘their voices are genuinely valued’ (p. 948). Leaders who engage in inclusive behaviors exhibit openness, accessibility, and availability while interacting with their followers. Although inclusive leadership shares some conceptual similarities with related styles such as servant leadership, transformational leadership, and supportive leadership, it is conceptually distinct from these styles (Tran & Choi, 2019). Inclusive leaders demonstrate openness toward and actively listen to followers’ needs (Van Dierendonck & Patterson, 2010). However, unlike other relational styles (i.e., servant, supportive, and transformational leadership), they actively encourage followers’ uniqueness by hearing new ideas and strategies. Additionally, they are readily available and accessible for offering professional advice or dealing with ongoing work-related problems, thus making inclusive leadership more specific and idiosyncratic in its approach (Carmeli, Reiter-Palmon, & Ziv, 2010; Nishii & Mayer, 2009). With this in mind, inclusive leadership, compared to other relational leadership styles, holds significant promise, as it offers new and relevant insights from a diversity management perspective (Korkmaz, van Engen, Knappert, & Schalk, 2022; Roberson & Perry, 2022; Thompson & Matkin, 2020).

In this study, we aim to explore how inclusive leaders can tackle the challenges of diversity and promote a sense of belongingness, closeness, openness, and respect in a diverse workforce (Ashikali, Groeneveld, & Kuipers, 2021; Roberson & Perry, 2022; Thompson & Matkin, 2020). This study builds on the limited research regarding how leaders can engage in inclusive practices to cope with diversity (Ashikali, Groeneveld, & Kuipers, 2021; Randel et al., 2018; Roberson & Perry, 2022; Thompson & Matkin, 2020) and how such practices can improve employee performance (Boekhorst, 2015; Dwertmann & Boehm, 2016). Additionally, recent research has highlighted the need for researchers to examine how inclusive leaders utilize a diverse mindset and perspectives while managing followers (Ashikali, Groeneveld, & Kuipers, 2021; Minehart, Foldy, Long, & Weller, 2020; Van Knippenberg & Van Ginkel, 2022).

To our knowledge, no studies have examined the pivotal role of relational dynamics and social identity theory in explaining the indirect impact of inclusive leadership on employees’ positive behavioral and attitudinal outcomes (Jin, Lee, & Lee, 2017; Randel et al., 2018; Roberson & Perry, 2022; Rodriguez, 2018; Thompson & Matkin, 2020). A recent systematic review by Korkmaz et al. (2022) concluded that most research has focused on the outcomes of inclusive leadership (e.g., Hassan & Jiang, 2021; Tang, Li, Jing, & Chen, 2017; Xiaotao, Yang, Diaz, & Yu, 2018; Ye, Wang, & Li, 2018). Far fewer studies have identified mechanisms that help to explain the link between inclusive leadership and its consequences in the shape of relational mediators (Korkmaz et al., 2022). In this context, we employed the social identity perspective (Tajfel & Turner, 1979) to unveil how the ‘relational dynamics’ effects underlying inclusive leadership materialize in different outcomes (Korkmaz et al., 2022). Two identity-related processes deemed pivotal in fostering positive relationships through developing a sense of belonging and uniqueness are perceived insider status (Stamper & Masterson, 2002) and relational coordination (Lee & Kim, 2020).

Perceived insider status refers to the extent to which an individual employee perceives themselves as an insider within a particular organization and thus reflects the employee’s perceived identity (Stamper & Masterson, 2002). According to Stamper and Masterson (2002), perceived insider status incorporates ‘the personal space’ employees have earned or their acceptance inside their work organization as full-fledged members. Additionally, perceived insider status, as an identity-related process, emerges from employees’ sense-making of their social comparisons of status, prestige and worth in their organization (Lapalme, Stamper, Simard, & Tremblay, 2009).

Relational coordination, the second mediating mechanism we examine, entails the process whereby individuals’ communication and role relationships characterized by shared knowledge, shared goals, and mutual respect shape their relational self-concept and, ultimately, social identity (Gittel, 2002). Recently, Lee and Kim (2020) highlighted the prominence of relational coordination in diverse workforces and the relevance of exploring factors that foster relational coordination. Furthermore, research has noted that the role of leadership in generating an environment where employees exhibit high-quality communication and share mutual goals must be examined

in more detail (Nasr, El Akremi, & Coyle-Shapiro, 2019). In response to these calls, the current study attempts to bridge a significant gap in the diversity and leadership literature by proposing inclusive leadership behaviors as a pertinent predictor of employees' relational coordination and perceived insider status.

In general, previous research has suggested that perceived organizational support (Stamper & Masterson, 2002), pro-diversity practices, the delegation from supervisors, perceived coworker support, and idiosyncratic deals (Ding & Chang, 2020; Guerrero, Sylvestre, & Muresanu, 2013) are likely to inculcate perceptions of insider status among diverse individuals. Although positive leadership has been observed to indirectly promote perceived insider status (Armstrong-Stassen & Schlosser, 2011; Chen & Aryee, 2007), the role of inclusive leaders' in nurturing insider status holds immense promise. As perceived insider status emphasizes individuals' identity as organizational members and recognizes them as valued parts of the organization (Masterson & Stamper, 2003), we contend that inclusive leadership can be instrumental in creating higher levels of perceived insider status, which in turn result in employees' organizational identification, task performance, and leader-directed helping behavior. In this inquiry, we adopt Ashforth and Mael's (1989) conceptualization of organizational identification, which encompasses employees' feelings of oneness with and belongingness to their organization (Ashforth & Mael, 1989). The second outcome variable, task performance, entails the degree of employees' effectiveness in completing their job responsibilities and duties (Kehoe, Lepak, & Bentley, 2018). Finally, the third dependent variable, leader-directed helping behavior, involves all optional/extra role behaviors aimed at helping supervisors/leaders with their work-related tasks (Podsakoff, MacKenzie, Moorman, & Fetter, 1990).

In addition to exploring the direct and indirect effects of inclusive leadership on employees' behavioral and attitudinal outcomes, contemporary research highlights the need to map the boundary conditions of how the positive impact of inclusive leadership behaviors on employees' attitudes and behaviors can be reinforced or undermined (Mitchell et al., 2015; Randel et al., 2018). In this regard, a synergy diversity climate, which refers to human resource (HR) policies integrating diverse employees (McKay, Avery, & Morris, 2008), may provide insight regarding when inclusive leaders can be beneficial. Considering the principles of social identity theory, a synergy diversity climate in the presence of an inclusive leader can help employees become more integrated, thus enabling a sense of belongingness and identity through the processes of perceived insider status and relational coordination.

This study makes two crucial contributions to the literature on diversity management and inclusive leadership. First, drawing from social identity theory (Tajfel & Turner, 1986), we justify the core relationships in our research model and extend the nomological network of inclusive leadership with a focus on relational dynamics (Korkmaz et al., 2022; Roberson & Perry, 2022; Thompson & Matkin, 2020). More specifically, relying on the social identity theory framework, we elaborate on how inclusive leaders build a more robust organizational identity and trigger positive behaviors in followers through two relational-based identity processes (i.e., perceived insider status and relational coordination). By proposing both processes as mechanisms in inclusive leadership and outcomes, our study adds to the understanding of the mechanisms and effects of inclusive leadership, which to date, have been incomplete (Korkmaz et al., 2022; Roberson & Perry, 2022). Because managers in today's organizations have to manage a diverse workforce by demonstrating inclusive behaviors, our study will enable managers to understand the relational dynamics through which inclusive leaders inculcate positive employee behaviors and attitudes. Second, the present study contributes to the diversity management literature by investigating how a synergy diversity climate operates as a boundary condition in shaping the impact of inclusive leadership on identity-related processes. In this sense, our study will assist managers in gaining insights into when inclusive leaders can promote increased insider status and relational coordination and devise strategies to promote a diversity-friendly climate where the positive effects of inclusive leaders can be fully realized.

Theory and hypotheses

Inclusive leadership and employee outcomes: the mediating role of perceived insider status

Based on social identity theory (Tajfel & Turner, 1979), we explain how inclusive leaders can successfully shape employees' organizational identification, task performance, and helping behavior directed toward leaders. Social categorization, a core tenet in social identity theory, entails how individuals classify themselves into social groups based on their unique demographic characteristics, such as age, gender, ethnic background, social class, religion, and organizational affiliation (Tajfel & Turner, 1979). Once people have categorized themselves into groups, they compare themselves with other groups (i.e., social comparison). Through this social comparison, individuals focus on information that helps illustrate their group's superiority over other groups (Tajfel & Turner, 1979). As a result, individuals develop feelings of self-enhancement (e.g., considering oneself and one's group better than others) and uncertainty reduction (e.g., removing ambiguity about one's identity). Eventually, these processes promote a sense of belonging and finally lead to social identification with the group (Tajfel & Turner, 1979, 1986).

In this context, inclusive leaders trigger the identity process of perceived insider status in diverse individuals. This mitigates perceived ambiguity among members and ultimately enhances organizational identification and performance outcomes. Recent reviews and studies highlight organizational, leader, and team identification as mediators in the relationship between inclusive leadership and outcomes (Korkmaz *et al.*, 2022; Roberson & Perry, 2022; Thompson & Matkin, 2020). Furthermore, limited studies in the organizational psychology literature treat perceived insider status as a process mechanism. For instance, perceived insider status has been found to mediate the impact of employees' corporate social responsibility on unethical pro-organizational behaviors (Yin, Zhang, & Lu, 2021).

Additionally, Tu, Zhang, Wang, and He (2017) observed that an organization's trust climate promotes perceived insider status among employees, promoting higher in-role performance. Another study illustrated that the indirect effect of perceived supervisor support on interpersonal facilitation could be explained through perceived insider status (Lapalme *et al.*, 2009). In brief, the above studies support the role of perceived insider status as a process variable in organizational behavior research. Additionally, research has established that perceived insider status is significantly and positively related to multiple employee behaviors and attitudes, such as organizational commitment (Lapalme *et al.*, 2009), organizational citizenship behavior (Stamper & Masterson, 2002), task performance (Wang & Kim, 2013), promotion focus (Hornig, Tsai, Hu, & Liu, 2016), and intention to remain with the organization (Armstrong-Stassen & Schlosser, 2011). Despite the growing interest in studying perceived insider status as a process variable in organizational psychology, its potentially pivotal role in explaining how inclusive leadership translates into employee behaviors and attitudes has yet to be explored.

Considering the principles of social identity theory (Tajfel & Turner, 1979), we propose that inclusive leaders instill in their followers a feeling that they are respected and valued (Nemphard & Edmondson, 2006), which helps them develop a sense of belonging despite their diversity. Moreover, by showing genuine support for followers' feelings and interests and establishing open communication, inclusive leaders can invoke this sense of belonging and insider status among diverse employees (Choi, Tran, & Park, 2015). Hence, when diverse individuals become insiders triggered by inclusive leadership actions, they feel more attached and are more likely to identify with their organization. We thus hypothesize the following:

Hypothesis 1a: Perceived insider status mediates the relationship between inclusive leadership and organizational identification.

In support of social identity theory, inclusive leaders enrich their relationships with their followers (Nishii & Mayer, 2009; Shore, Randel, Chung, Dean, Holcombe Ehrhart, & Singh,

2011) by embracing followers' divergent perspectives in decision-making (Mitchell et al., 2015; Nembhard & Edmondson, 2006). This amplifies the self-enhancement motive and contributes to followers' insider status within the group. Furthermore, because inclusive leaders give their coworkers a voice (Alang, Stanton, & Rose, 2022; Guo, Zhu, & Zhang, 2022; Qi & Liu, 2017), the trust established by leaders and the sharing of knowledge and information through open communication reduce uncertainty and failures in decision-making, yielding better task performance by insiders. We thus hypothesize the following:

Hypothesis 1b: Perceived insider status mediates the relationship between inclusive leadership and task performance.

Finally, when inclusive leaders involve followers in decision-making, employees with diverse backgrounds feel more confident communicating with their coworkers and participating in decision-making. This openness and trust help eliminate boundaries between coworkers, thus promoting perceived insider status. Inclusive leaders tear down walls among individuals by embracing diversity and fostering employees to identify with their leader and colleagues. As a result, employees develop a feeling of intimacy and acceptance in the form of perceived insider status. Consequently, insiders feel more confident in sharing their ideas and feelings, which motivates them to engage in leader-directed helping behavior. Hence, we hypothesize the following:

Hypothesis 1c: Perceived insider status mediates the relationship between inclusive leadership and leader-directed helping behavior.

Inclusive leadership and employee outcomes: the mediating role of relational coordination

A critical organizational challenge is to promote coordination in a diverse workforce (Bond & Haynes, 2014). Effective teamwork takes more than a group of individuals performing diverse and often specialized skill sets. It requires cohesion, coordination, and understanding of how employees' work intersects and contributes to the team's success (DeChurch & Mesmer-Magnus, 2010). This coordination contributes to building a sense of relational identity. It enables employees to recognize the need to rely on each other's diversity in skills, knowledge, and backgrounds to resolve problems more successfully (Sluss & Ashforth, 2007). Inclusive leaders can play a prominent role in inculcating this relational coordination.

Since inclusive leaders show an active interest in followers' needs, feelings, and potential (Hollander, 2009), this level of support motivates diverse individuals to share information, resulting in enhanced relational coordination. This environment where employees mutually respect each other and develop a shared understanding of goals fosters relational coordination (Gittell, 2011), strengthening employees' identification with the organization. In brief, this type of leader enables inclusion by instilling a feeling of belongingness and uniqueness among diverse individuals (Randel et al., 2018). This diversity-friendly belief (Guo, Zhu, & Zhang, 2022; Leroy, Buengeler, Veestraeten, Shemla, & Hoever, 2022) enhances employees' relational self-concept, alleviates confusion, and creates relational coordination, fostering organizational identification. We thus hypothesize the following:

Hypothesis 2a: Relational coordination mediates the relationship between inclusive leadership and organizational identification.

Keeping in mind the principles of social identity theory (Tajfel & Turner, 1979), we believe that through their openness and transparency in communication, inclusive leaders increase employees' willingness to share their knowledge and goals (Gittell, 2002), which helps to eliminate ambiguity and thus promotes relational coordination. Past research has noted that relational

coordination is an essential mediator between workforce diversity and organizational performance (Lee & Kim, 2020). Following this line of inquiry, we assert that inclusive leaders invite followers to participate and simultaneously express appreciation for their leaders (Randel et al., 2018; Rodriguez, 2018). This involvement of followers in decision-making (Chen, Liang, Feng, & Zhang, 2023; Roberson & Perry, 2022) improves relational coordination, further facilitating task performance. We thus hypothesize the following:

Hypothesis 2b: Relational coordination mediates the relationship between inclusive leadership and task performance.

As inclusive leaders encourage individuals to share unique and new ideas (Randel, Dean, Ehrhart, Chung, & Shore, 2016), employees can provide enriched perspectives on solving problems and task completion. Through this, interacting and sharing perspectives enhance relational coordination. Moreover, inclusive leaders' active presence in the group, their availability for providing professional guidance, and their ongoing assistance to their followers (Carmeli, Reiter-Palmon, & Ziv, 2010; Nembhard & Edmondson, 2006) create an environment where employees can communicate more frequently and accurately with others in the group, facilitating relational coordination. Thus, an inclusive leader's supportive behaviors encourage followers to participate fully with others, enabling relational coordination that incites these employees to exhibit helping behavior toward their leaders. Research has corroborated that inclusive leaders enable employee trust (Hollander, 2009). Hence, based on social identity theory (Tajfel & Turner, 1979, 1986), as inclusive leaders are open to hearing followers' thoughts and provide active assistance in helping them complete their tasks (Nishii & Mayer, 2009), such leaders are likely to promote relational coordination through followers' active contribution that stimulates employees to engage in helping behavior directed toward their leaders. We thus hypothesize the following:

Hypothesis 2c: Relational coordination mediates the relationship between inclusive leadership and leader-directed helping behavior.

The moderating role of a synergy diversity climate

Drawing from social identity theory (Tajfel & Turner, 1979, 1986), we anticipate that a synergy diversity climate moderates the relationships between inclusive leadership and perceived insider status and between inclusive leadership and relational coordination. Organizational climate represents a set of rules, values, and beliefs that develop because of employees' shared perceptions about their work environment (Martin & Cullen, 2006; Mulki, Jaramillo, & Locander, 2008; Richard, Avery, Luksyte, Boncoeur, & Spitzmueller, 2019). Different types of climates have been identified (Bronkhorst, Tummers, Steijn, & Vijverberg, 2015); however, one that is particularly relevant to the context of this inquiry is the diversity climate, or the extent to which employees perceive their work environment as fair and inclusive for all members of the workforce (McKay, Avery, & Morris, 2008). A synergy diversity climate incorporates employees' common perception of their organization to promote listening to, valuing, and integrating diverse individuals for collective performance and learning (Dwertmann, Nishii, & Van Knippenberg, 2016).

The synergy aspect of a diverse climate is a relatively underexplored territory, with most diversity climate research emphasizing elements of fairness and discrimination (Dwertmann, Nishii, & Van Knippenberg, 2016; Richard et al., 2019). Studies integrating diversity climate into their designs have usually treated it as a boundary condition (e.g., Randel et al., 2016; Richard et al., 2019; Rodriguez, 2018). For instance, a recent study examined the synergy diversity climate as a moderator between employee seniority and creative job performance (Richard et al., 2019). Furthermore, two other recent studies show that diversity climate operates as a boundary condition shaping the relationships between leader inclusiveness and helping behavior (Randel et al., 2016)

and between inclusive leadership and employee work engagement (Rodriguez, 2018). In line with this stream of research, we purport that a diverse workforce that embraces a climate of synergy diversity sends employees signals of fairness and importance (Guerrero, Sylvestre, & Muresanu, 2013) and thus influences their perception that they belong to an in-group. Thus, a synergy diversity climate in combination with an inclusive leader reinforces perceived insider status rather than outsider status among members of a diverse workforce. We thus hypothesize the following:

Hypothesis 3a: A synergy diversity climate moderates the relationship between inclusive leadership and perceived insider status, such that the positive relationship is stronger when the climate is characterized by high-synergy diversity.

Another important observation is that leaders adopting a synergy perspective to manage diversity enable employees to share ideas and information despite their differences, facilitating performance (Richard et al., 2019). The basic idea is that within a synergy diversity climate, employees develop a sense of valence and, as a result, are more confident in openly communicating and sharing their knowledge with others, which eventually contributes to improved organizational learning (Dwertmann, Nishii, & Van Knippenberg, 2016). Consistent with this line of reasoning, a synergy diversity climate can significantly moderate the connection between inclusive leadership and relational coordination. When operating in a synergy diversity climate, inclusive leaders, who typically embrace and express appreciation for diverse individuals in their workforce (Dwertmann & Boehm, 2016; Nembhard & Edmondson, 2006), are likely to promote open communication among diverse individuals more quickly. They thus reduce ambiguity (Carmeli, Reiter-Palmon, & Ziv, 2010; Nishii & Mayer, 2009), making task integration and coordination smoother and leading to more pronounced relational coordination. A synergy diversity climate is characterized by an environment where employees' perspectives are respected and valued (McKay, Avery, Tonidandel, Morris, Hernandez, & Hebl, 2007, 2008; Roberson, 2006); such a climate, along with an inclusive leader who is available and attentive, might be conducive to the development of shared goals among employees and reinforce mutual respect, thus supporting relational coordination. As a synergy diversity climate motivates employees to integrate the expertise of diverse coworkers (Dwertmann, Nishii, & Van Knippenberg, 2016), the presence of inclusive leadership in such an environment may persuade employees to communicate more openly with one another regarding their tasks and goals, promoting relational coordination. Based on the above, we thus hypothesize the following:

Hypothesis 3b: A synergy diversity climate moderates the relationship between inclusive leadership and relational coordination, such that the positive relationship is stronger when the climate is characterized by high-synergy diversity.

Accordingly, it is plausible that a synergy diversity climate conditionally influences the strength of the indirect relationship between inclusive leadership and employee outcomes through perceived insider status and relational coordination, highlighting a pattern of moderated mediation. In this context, we thus hypothesize the following:

Hypothesis 4: A synergy diversity climate moderates the positive indirect effects of inclusive leadership on (a) organizational identification, (b) task performance, and (c) leader-directed helping behavior, such that the indirect effects through perceived insider status are stronger when the climate is characterized by high-synergy diversity.

Hypothesis 5: A synergy diversity climate moderates the positive indirect effects of inclusive leadership on (a) organizational identification, (b) task performance, and (c) leader-directed helping

behavior, such that the indirect effects through relational coordination are stronger when the climate is characterized by high-synergy diversity.

Methods

Participants and procedures

To test our hypothesized model (see [Figure 1](#)), we collected data from employees working in Pakistan's banking, telecom, and education sectors. By investigating employees from organizations that operate in different sectors, we ensure broad coverage of business activities in the Pakistani economy, increase data heterogeneity, and enhance the external validity of the empirical results. The research team's principal investigator leveraged existing professional contacts to gain access to organizations for administering the surveys. The purpose of the study was explained to the participants, and the confidentiality of their data was ensured. Participants were randomly selected from employee lists from the participating organizations' HR departments. All randomly selected candidates received a personal invitation to participate.

The data collection process incorporated a multi-wave (i.e., three measurement points with a time lag of 2 weeks between measurement points) two-source research design. The study's independent (i.e., inclusive leadership) and moderator (i.e., synergy diversity climate) variables were measured at time 1. At time 2, the mediator variables (e.g., perceived insider status and relational coordination) were measured. Finally, at time 3, the dependent variables (i.e., organizational identification, task performance, and leader-directed helping behavior) were measured. When relying on a temporally segregated research design, it is essential that the independent variable, the mediators, and the dependent variables are collected at different measurement points (Law, Wong, Yan, & Huang, 2016; Maxwell, Cole, & Mitchell, 2011). Temporally separating variables at different measurement points helps to address the reverse causality issues arising from cross-sectional research designs (Lindell & Whitney, 2001; Selig & Preacher, 2009). Furthermore, temporal segregation in our study allowed us to separate cause and effect between the independent and mediator variables and between the mediator variables and outcomes.

All data collected at times 1 and 2 came from self-reports by employees. At time 3, organizational identification was based on employees' self-report, whereas employees' peers measured task performance and leader-directed helping behavior. The 2-week time lags between data collection waves was long enough to minimize the possibility of reverse causality but short enough to reduce concerns that significant organizational events might have occurred during the study.

Surveys were administered in English, which is not an unusual protocol for data collection through a survey design from employees in companies in Pakistan (e.g., Abbas, Raja, Darr, & Bouckennooghe, 2014; De Clercq, Khan, & Haq, 2023; Naseer, Raja, Syed, Donia, & Darr, 2016; Raja & Johns, 2010). Each questionnaire was assigned a different identification number and attached to respondents' data to ensure data matching. The identification numbers were used only to match the responses at the three different time points. Furthermore, the respondents were asked to identify a coworker with whom they had worked for at least 6 months to collect information about the outcome variables. To avoid data nesting issues, each peer rated only one employee.

Of the 550 surveys administered initially at time 1, 400 were returned in the first round, for a response rate of 73%. After 2 weeks, in the second wave of data collection, 350 of the 400 respondents completed the survey, with a response rate of 85% compared to time 1. Finally, in round 3, collecting data from our original respondents and their coworkers yielded 300 matched employee-peer surveys, resulting in an overall response rate of 55% compared to the initial surveys administered. These matched employee-peer surveys were used for the statistical analyses. Given the dropout at times 2 and 3 in comparison to time 1, we checked for selective attrition by using logistic regression to estimate the probability of completing times 2 and 3 surveys (i.e., stayers vs. dropouts) based on all variables of interest measured at time 1 (Goodman &

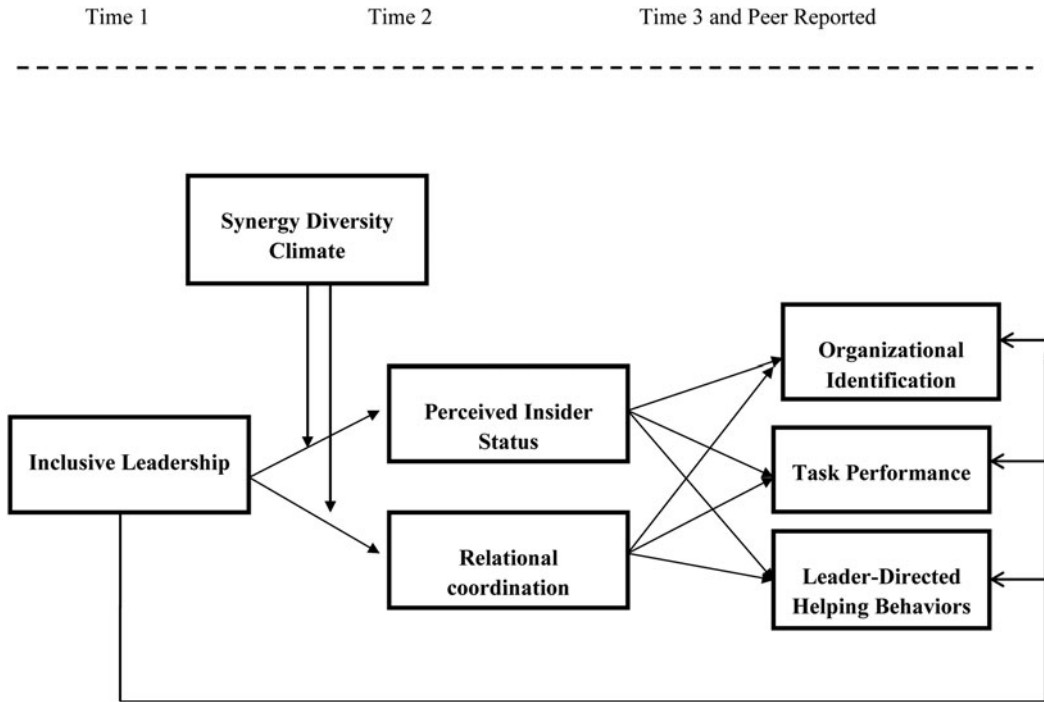


Figure 1. Research model. This figure shows a temporally segregated moderated mediation model in which perceived insider status and relational coordination mediate the relationships between inclusive leadership and outcomes (organizational identification, task performance, and leader-directed helping behaviors) at high levels of a synergy diversity climate.

Blum, 1996). No significant differences were observed between the dropouts at time 2 and the stayers at time 2 for the key variables measured at time 1 (i.e., inclusive leadership and synergy diversity climate). Additionally, no differences were observed between time 3 dropouts and time 3 stayers for these same variables measured at time 1. Thus, selective attrition in this study may have had a limited impact on our findings.

Among the respondents, 66% were male and 34% were female. The average age for all respondents was 33 years. The respondents had worked for their organization for an average of approximately 3.5 years and had a total average work experience of 6 years. Most respondents held a master's degree (65%). Half of the respondents were employed in the private sector (50%), whereas 32.7% were government sector employees, and 17.3% were from semi-government organizations. Most of the participants were middle-level management (56%), followed by entry-level management (23%), technical employees (11%), and top management (10%). Finally, 33% of the respondents identified as working for the marketing department in their organization, 31% were from the HR management department, 21% were from the accounting and finance department, and 15% represented their information technology department.

Measures

The scales used to measure the core constructs in this study were found to demonstrate good reliability and validity. All scales were 5-point Likert scales with response anchors including 'strongly disagree' and 'strongly agree'; an exception was the relational coordination measure, which had scale anchors ranging between 1 = 'never' and 5 = 'constantly'.

Inclusive leadership

Inclusive leadership was measured by a 9-item scale developed by Carmeli, Reiter-Palmon, and Ziv (2010). Sample items are ‘The manager is open to hearing new ideas’ and ‘The manager is open to discussing the desired goals and new ways to achieve them’ (Cronbach’s alpha = .84).

Synergy diversity climate

Employees’ perception of synergy diversity climate was measured by a 3-item scale adopted from McKay *et al.* (2007). Sample items are ‘My organization maintains a diversity-friendly work environment’ and ‘My workgroup has a climate that values diverse perspectives’ (Cronbach’s alpha = .77).

Perceived insider status

We used a 4-item scale to measure perceived insider status adopted from Stamper and Masterson (2002). Sample items are ‘I feel very much a part of my work organization’ and ‘I feel I am an “insider” in my work organization’ (Cronbach’s alpha = .82).

Relational coordination

Relational coordination was measured with a 7-item scale adopted from Gittell *et al.* (2000). Sample items are ‘How frequently do people in each of these groups communicate with you about work?’ and ‘Do people in these groups share your goals for work?’ (Cronbach’s alpha = .79).

Organizational identification

We adopted a 6-item scale developed by Mael and Ashforth (1992) to measure this construct. Sample items are ‘This organization’s successes are my successes’ and ‘When someone praises this organization, it feels like a personal compliment’ (Cronbach’s alpha = .82).

Task performance

Task performance was measured by a 5-item scale adapted from Williams and Anderson (1991). Following the established guidelines (Sharma, 1996), we removed two items from the original 7-item scale with factor loadings lower than .30. Both dropped items were reverse-coded. Sample items include ‘Adequately completes the assigned duties’ and ‘Performs tasks that are expected of him or her’ (Cronbach’s alpha = .79).

Leader-directed helping behavior

Leader-directed helping behavior was measured using a 5-item measure developed by Podsakoff *et al.* (1990). Sample items are ‘Helps his or her supervisor even though it is not required as part of his or her job’ and ‘He or she often helps his or her supervisor when he or she has a heavy workload’ (Cronbach’s alpha = .73).

Confirmatory factor analysis

We conducted confirmatory factor analyses (CFAs) to ascertain the discriminant validity of variables measured simultaneously and from the same source. We conducted CFAs for each possible pair, as Anderson and Gerbing (1988) suggested. We paired two or multiple-factor models with the one-factor model. The results showed that a two-factor model comprising inclusive leadership and synergy diversity climate as separate latent variables demonstrated better fit ($\chi^2 = 77.35$, $df = 40$, $p < .001$; CFI = .97, RMSEA = .06) than a single-factor model where the items of both constructs were loaded onto a single-latent variable ($\chi^2 = 501.72$, $df = 54$, $p < .001$; CFI = .63, RMSEA = .17). Similarly, a two-factor model for perceived insider status and relational coordination displayed better fit ($\chi^2 = 113.22$, $df = 39$, $p < .001$; CFI = .93, RMSEA = .08) than a single-factor model ($\chi^2 = 314.93$, $df = 41$, $p < .001$; CFI = .73, RMSEA = .12). Finally, a two-factor

model of task performance and leader-directed helping behavior demonstrated better fit ($\chi^2 = 64.05$, $df = 32$, $p < .001$; CFI = .96, RMSEA = .06) than a one-factor model ($\chi^2 = 289.24$, $df = 33$, $p < .001$; CFI = .70, RMSEA = .16).

Results

Table 1 summarizes the means, standard deviations (SD), bivariate correlations, and Cronbach's alpha reliabilities of the study's core variables. Before testing our hypotheses, we conducted a one-way analysis of variance to identify the study's controls. For instance, we found a significant difference in our dependent variables based on one department. Therefore, we created a dummy coded variable to control for the significant effect of this department.

Bootstrapping was used to test our moderation, mediation, and moderated mediation hypotheses (Preacher & Hayes, 2004). The bootstrapping approach avoids the statistical power problems caused by asymmetric and other non-normal sampling distributions. Specifically, we ran models 1, 4, and 7 to test the moderation, mediation, and moderator mediation hypotheses. For the moderation analysis, we mean-centered our independent and moderator variables. We plotted significant interaction plots based on simple slope analysis for +1 SD and -1 SD above and below the mean for all significant interactions. **Table 2** shows our mediated regression analysis findings. Supporting hypotheses 1a–1c, the formal two-tailed significance test showed that inclusive leadership had a significant and positive indirect effect via perceived insider status on organizational identification (Sobel effect = .27, $z = 5.31$, $p < .001$), task performance (Sobel effect = .07, $z = 3.01$, $p < .01$), and leader-directed helping behavior (Sobel effect = .06, $z = 2.53$, $p < .05$). The bootstrap findings corroborated the Sobel test with a bootstrapped 95% confidence interval (CI) not containing zero for organizational identification [.15, .41], task performance [.03, .13], and leader-directed helping behavior [.02, .12].

In support of hypotheses 2a–2c, we observed that inclusive leadership through relational coordination was positively and indirectly related to all three outcomes: organizational identification (Sobel effect = .03, $p < .05$), task performance (Sobel effect = .04, $p < .05$), and leader-directed helping behavior (indirect effect = .04, $p < .05$). Bootstrap findings corroborated the Sobel test with a bootstrapped 95% CI not containing zero for organizational identification [.00, .07], task performance [.00, .09], and leader-directed helping behavior [.00, .09].

The results of our moderated regression analysis are displayed in **Table 3**. The findings show that the interaction between inclusive leadership and synergy diversity climate was significant for perceived insider status ($\beta = .18$, $p < .001$). **Figure 2**, in support of hypothesis 3a, confirms that the relationship between inclusive leadership and perceived insider status was positive, significant, and substantial when the synergy diversity climate was high (simple slope = .43, $t = 4.73$, $p < .001$) and weak when the synergy diversity climate was low (simple slope = .10, $t = 1.30$, $p = \text{n.s.}$). Similarly, the interaction term of inclusive leadership and synergy diversity climate was significant for relational coordination ($\beta = .12$, $p < .05$). **Figure 3**, in support of hypothesis 3b, shows that the relationship was positively significant and strong when the synergy diversity climate was high (simple slope = .16, $t = 2.00$, $p < .05$) and weak when the synergy diversity climate was low (simple slope = -.06, $t = -.90$, $p = \text{n.s.}$).

Table 4 exhibits the results for the conditional indirect effects of inclusive leadership on outcomes (i.e., organizational identification, task performance, and leader-directed helping behavior) through perceived insider status and relational coordination under different synergy diversity climate conditions. We verified the moderated mediation effects of inclusive leadership on outcomes at three different values of synergy diversity climate: +1 SD above the mean (.90), at the mean (.00), and -1 SD below the mean (-.90). Our analyses demonstrated that the moderated mediation effects (based on moderator values +1 SD above the mean) were positive, more potent, and did not contain zero. Bootstrap CIs verified these results. The indirect positive effects of inclusive leadership on organizational identification [.17, .51], task performance [.04, .22], and

Table 1. Means, *sd*, correlations, and reliabilities of study variables

| Variable | Mean | <i>sd</i> | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---------------------------------------|------|-----------|-------|-------|-------|-------|-------|-------|-------|
| 1. Inclusive Leadership (time 1) | 3.88 | .67 | (.84) | | | | | | |
| 2. Synergy Diversity Climate (time 1) | 3.78 | .90 | .30** | (.77) | | | | | |
| 3. Perceived Insider Status (time 2) | 3.75 | .85 | .31** | .47** | (.82) | | | | |
| 4. Relational Coordination (time 2) | 3.82 | .69 | .13* | .35** | .30** | (.79) | | | |
| 5. Org Identification (time 3) | 3.76 | .81 | .36** | .64** | .83** | .42** | (.82) | | |
| 6. Task Performance (peer-reported) | 3.95 | .72 | .06 | .15* | .30** | .38** | .33** | (.79) | |
| 7. Helping Behavior (peer-reported) | 3.51 | .79 | .21** | .34** | .29** | .35** | .41** | .24** | (.73) |

n = 300. Control variable is one department; one dummy code variable was created (dept2 = 1, all others = 0). Cronbach's alpha reliabilities are given in parentheses.

p* < .05, *p* < .01, ****p* < .001.

leader-directed helping behavior [.04, .20] through perceived insider status were stronger for a climate of high-synergy diversity and less pronounced for a climate of low synergy diversity. These results support hypotheses 4a–4c. Similarly, the indirect positive effects of inclusive leadership on organizational identification [.01, .16], task performance [.01, .15], and leader-directed helping behavior [.01, .14] through relational coordination were stronger for a climate of high-synergy diversity and weaker for a climate of low synergy diversity. Thus, we found support for hypotheses 5a–5c.

Discussion

Global changes in the 21st century have forced organizations to incorporate diverse workforces at all organizational levels (Boekhorst, 2015; Dwertmann & Boehm, 2016). To manage this growing diversity effectively, leaders at all levels must be inclusive in their interactions with employees of different cultures, genders, ages, areas of specialization, etc. (Randel et al., 2016, 2018). Past research has already investigated the effects of inclusive leadership in promoting positive employee outcomes (Brimhall, Mor Barak, Hurlburt, McArdle, Palinkas, & Henwood, 2016; Mitchell et al., 2015). However, there is a scarcity of research on the underlying processes of how inclusive leadership unfolds and impacts employees' behaviors and the conditions that facilitate or mitigate the positive effects of inclusive leadership on workplace behaviors and attitudes in diverse workforces (Jin, Lee, & Lee, 2017; Korkmaz et al., 2022; Mitchell et al., 2015; Randel et al., 2018; Roberson & Perry, 2022; Rodriguez, 2018; Thompson & Matkin, 2020).

Past reviews and thematic analyses highlight the importance of studying the impact of inclusive leadership on outcomes. However, despite these studies, minimal attention has been given to the role of relational dynamics through which inclusive leadership fosters its beneficial effects (Hassan & Jiang, 2021; Korkmaz et al., 2022; Roberson & Perry, 2022; Tang et al., 2017; Thompson & Matkin, 2020; Xiaotao et al., 2018; Ye, Wang, & Li, 2018). With this inquiry, we contribute to the leadership and diversity literature by answering how and when inclusive leaders foster employee outcomes. Relying on social identity theory as our overarching theoretical framework for explaining the relationships between our core variables (Tajfel & Turner, 1979), we examined a moderated mediation model in which perceived insider status and relational coordination mediate the role of inclusive leadership in creating employee outcomes (i.e., leader-directed helping behavior, task performance, and organizational identification) under a climate of high-synergy diversity. Our data offered support for most of our hypotheses.

This study provides numerous theoretical contributions. First, this study is one of the few studies to examine the impact of inclusive leadership on distinct outcomes such as leader-directed

Table 2. Mediated regression analysis

| Organizational identification | | | | | | |
|---|----------|-----------------------|----------|-----|-----------|-----------|
| Variable | <i>R</i> | <i>R</i> ² | <i>B</i> | SE | <i>t</i> | <i>p</i> |
| | .32 | .10 | | | | .000 |
| 1 The direct effect of IL on PIS | | | .39 | .07 | 5.47 | .000 |
| | .16 | .03 | | | | .017 |
| 2 The direct effect of IL on RC | | | .13 | .06 | 2.16 | .031 |
| | .85 | .73 | | | | .000 |
| 3 The direct effect of PIS on OI | | | .70 | .03 | 22.17 | .000 |
| 4 The direct effect of RC on OI | | | .21 | .04 | 5.59 | .000 |
| 5 The direct effect of IL on OI | | | .13 | .04 | 3.41 | .000 |
| Indirect effect and significance test using normal distribution | | | | | | |
| | | | Effect | SE | <i>z</i> | <i>p</i> |
| Sobel PIS | | | .27 | .05 | 5.31 | .000 |
| RC | | | .03 | .01 | 1.98 | .047 |
| Bootstrap results for indirect effect | | | | | | |
| | | | Effect | SE | LL95% CI | UL 95% CI |
| Indirect effect PIS | | | .27 | .07 | .15 | .41 |
| RC | | | .03 | .02 | .00 | .07 |
| Task performance | | | | | | |
| Variable | <i>R</i> | <i>R</i> ² | <i>B</i> | SE | <i>t</i> | <i>p</i> |
| | .32 | .10 | | | | .000 |
| 1 The direct effect of IL on PIS | | | .39 | .07 | 5.47 | .000 |
| | .16 | .03 | | | | .017 |
| 2 The direct effect of IL on RC | | | .13 | .06 | 2.16 | .031 |
| | .44 | .20 | | | | .000 |
| 3 The direct effect of PIS on TP | | | .18 | .05 | 3.67 | .000 |
| 4 The direct effect of RC on TP | | | .32 | .06 | 5.61 | .000 |
| 5 The direct effect of IL on TP | | | -.05 | .06 | -.88 | .379 |
| Indirect effect and significance test using normal distribution | | | | | | |
| | | | Effect | SE | <i>z</i> | <i>p</i> |
| Sobel PIS | | | .07 | .02 | 3.01 | .003 |
| RC | | | .04 | .02 | 1.99 | .047 |
| Bootstrap results for indirect effect | | | | | | |
| | | | Effect | SE | LL 95% CI | UL 95% CI |
| Indirect effect PIS | | | .07 | .03 | .03 | .13 |
| RC | | | .04 | .02 | .00 | .09 |

| Helping behaviors | | | | | | |
|---|----------|-----------------------|----------|-----|-----------|-----------|
| Variable | <i>R</i> | <i>R</i> ² | <i>B</i> | SE | <i>t</i> | <i>p</i> |
| | .32 | .10 | | | | .000 |
| 1 The direct effect of IL on PIS | | | .39 | .07 | 5.47 | .000 |
| | .16 | .03 | | | | .017 |
| 2 The direct effect of IL on RC | | | .13 | .06 | 2.16 | .031 |
| | .42 | .17 | | | | .000 |
| 3 The direct effect of PIS on HB | | | .16 | .05 | 2.91 | .004 |
| 4 The direct effect of RC on HB | | | .32 | .06 | 5.04 | .000 |
| 5 The direct effect of IL on HB | | | .15 | .07 | 2.24 | .026 |
| Indirect effect and significance test using normal distribution | | | | | | |
| | | | Effect | SE | <i>z</i> | <i>p</i> |
| Sobel PIS | | | .06 | .02 | 2.53 | .011 |
| RC | | | .04 | .02 | 1.95 | .051 |
| Bootstrap results for indirect effect | | | | | | |
| | | | <i>M</i> | SE | LL 95% CI | UL 95% CI |
| Indirect effect PIS | | | .06 | .03 | .02 | .12 |
| RC | | | .04 | .02 | .00 | .09 |

N = 300. Control variable is one department; one dummy code variable was created (deptt2 = 1, all others = 0). Bootstrap sample size = 5,000. IL, inclusive leadership; PIS, perceived insider status; RC, relational coordination; OI, organizational identification; TP, task performance; HB, helping behavior; LL, lower limit; CI, confidence interval; UL, upper limit.

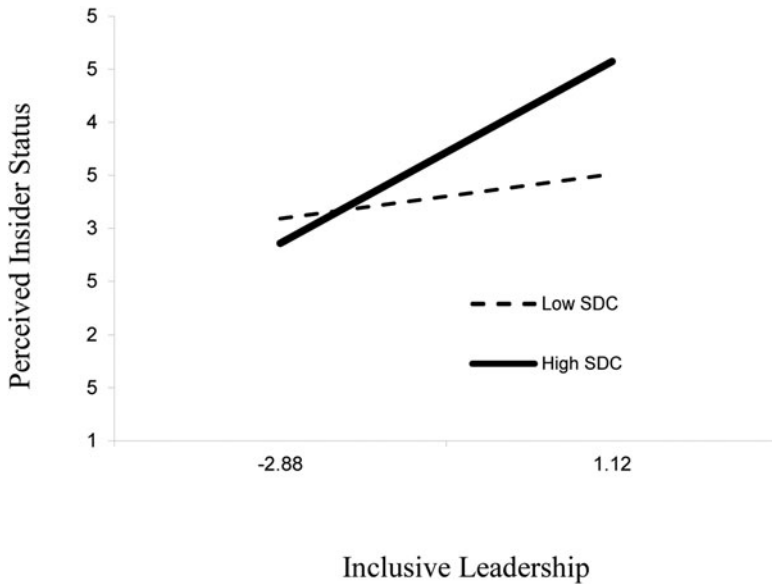


Figure 2. Interactive effects of inclusive leadership and synergy diversity climate on perceived insider status.
 Note: *N* = 300. SDC, synergy diversity climate. Slope for low synergy diversity climate ($\beta = .10, p = n.s.$). Slope for high-synergy diversity climate ($\beta = .43, p < .000$).

Table 3. Moderated regression analysis results

| Predictors | Dependent variables | | | | | |
|--|--------------------------|-----|--------------|-------------------------|-----|--------------|
| | Perceived insider status | | | Relational coordination | | |
| | Estimate | SE | LLCI, ULCI | Estimate | SE | LLCI, ULCI |
| Step 1 | | | | | | |
| Constant | 3.74*** | .05 | [3.64, 3.84] | 3.83*** | .04 | [3.74, 3.91] |
| IL | .27*** | .07 | [.13, .40] | .05 | .06 | [-.07, .17] |
| Synergy diversity climate (SDC) | .39*** | .05 | [.29, .49] | .26*** | .04 | [.17, .34] |
| Step 2 | | | | | | |
| IL × SDC | .18*** | .06 | [.07, .29] | .12** | .05 | [.02, .22] |
| Conditional direct effect of X on Y at different moderator values (slope test results) | | | | | | |
| Moderator | Perceived insider status | | | Relational coordination | | |
| Synergy diversity climate | Effect | SE | LLCI, ULCI | Effect | SE | LLCI, ULCI |
| SDC -1 SD (-.90) | .10 | .08 | [-.05, .25] | -.06 | .07 | [-.20, .07] |
| SDC mean (.00) | .27 | .07 | [.13, .40] | .05 | .06 | [-.07, .17] |
| SDC + 1 SD (.90) | .43 | .09 | [.25, .61] | .16 | .08 | [.00, .32] |

N = 300. Control variables: department. Bootstrap sample size = 5,000.
 IL, inclusive leadership; LL, lower limit; CI, confidence interval; UL, upper limit.
 *p < .05; **p < .01; ***p < .001.

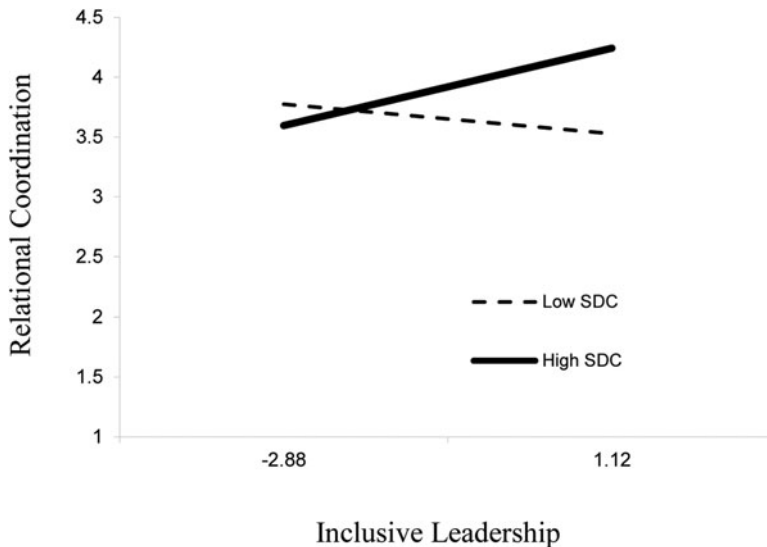


Figure 3. Interactive effects of inclusive leadership and synergy diversity climate on relational coordination.
 Note N = 300. SDC, synergy diversity climate. Slope for low synergy diversity climate ($\beta = -.06$, $p = n.s.$); Slope for high-synergy diversity climate ($\beta = .16$, $p < .05$).

helping behavior, task performance, and organizational identification. Second, this study explains how an inclusive leader can foster employees’ positive behaviors by valuing each member and accepting his or her uniqueness. Our findings suggest that inclusive leadership helps members

Table 4. Moderated mediation analysis

| Independent variable | Mediator | Dependent variable | Moderator (synergy diversity climate) | Indirect effect | SE | 95% bootstrap CI [LLCI, ULCI] |
|----------------------|--------------------------|-------------------------------|---------------------------------------|-----------------|-----|-------------------------------|
| Inclusive Leadership | Perceived insider status | Organizational Identification | High | .32*** | .09 | [.17, .51] |
| | | | Medium | .20** | .06 | [.08, .32] |
| | | | Low | .08 | .07 | [-.06, .22] |
| | | Task Performance | High | .11** | .05 | [.04, .22] |
| | | | Medium | .07** | .03 | [.02, .13] |
| | | | Low | .03 | .02 | [-.01, .08] |
| | | Helping Behaviors | High | .10** | .04 | [.04, .20] |
| | | | Medium | .06** | .03 | [.02, .13] |
| | | | Low | .02 | .02 | [-.01, .07] |
| Inclusive Leadership | Relational coordination | Organizational Identification | High | .07* | .04 | [.01, .16] |
| | | | Medium | .02 | .03 | [-.03, .08] |
| | | | Low | -.03 | .05 | [-.13, .05] |
| | | Task Performance | High | .06* | .04 | [.01, .15] |
| | | | Medium | .02 | .02 | [-.03, .07] |
| | | | Low | -.02 | .04 | [-.11, .04] |
| | | Helping Behaviors | High | .06* | .03 | [.01, .14] |
| | | | Medium | .02 | .02 | [-.02, .07] |
| | | | Low | -.02 | .04 | [-.12, .04] |

N = 300. Control variable is one department; one dummy code variable was created (deptt2 = 1, all others = 0). Bootstrap sample size = 5,000.

IL, inclusive leadership; PIS, perceived insider status; RC, relational coordination; SDC, synergy diversity climate; LL, lower limit; CI, confidence interval; UL, upper limit.

embrace differences by instilling a perception of insider status. In particular, the pivotal role of inclusive leaders in helping employees perceive an insider status is explained by drawing from social identity theory (Tajfel & Turner, 1986). Third, our findings suggest that inclusive leaders motivate employees to value each other, facilitating relational coordination. By actively encouraging employees to come up with new ideas and being more open to diverse perspectives, inclusive leaders can promote more frequent and accurate communication among employees, which fosters relational coordination. Fourth, our inquiry extends the diversity literature by examining the role of the synergy diversity climate in reinforcing the positive relationships between inclusive leadership and perceived insider status and between inclusive leadership and relational coordination. In particular, our study's findings bridge the leadership and diversity literature by suggesting that in an organizational climate characterized by employees who feel that their organization respects and values diverse perspectives (i.e., synergy diversity), inclusive leadership can capitalize on such a climate by triggering insider status and relational coordination in followers.

Several important implications for managers and organizations can be inferred based on observations made from the data collected in this study. Organizations characterized by a synergy diversity climate along with inclusive leadership generate relational coordination and cultivate insider status perceptions, which in turn help foster positive organizational behaviors. Hence, our findings suggest that organizations and personnel responsible for diversity management should focus their actions and resources on training and the alignment of performance assessment systems with an inclusive leadership approach (Choi, Tran, & Park, 2015). Put differently; they should train and encourage their employees to coordinate with each other to create a positive environment in which members identify themselves with their organization and ultimately perform better.

Inclusive leaders act as role models for their followers and facilitate inclusion perceptions among organizational members (Randel et al., 2018). Therefore, managers must engage in behaviors that help employees obtain positive experiences at the workplace. Leaders should value each member by facilitating belongingness and uniqueness and encouraging diverse contributions. Hence, management should consider investing in recruiting and selecting inclusive leaders at all levels in their companies. Leadership development programs should be instituted and implemented so that leaders have ample training opportunities to develop their inclusive leadership skills. Furthermore, to promote a synergy diversity climate, managers should put effort into establishing a positive climate that focuses on educating employees about diversity benefits and the importance of inclusiveness in fostering employee creativity (Richard et al., 2019). In this context, diversity management programs should be established in which employees can understand and address diverse ideas and issues and resolve any problems or conflicts that may arise from surface-level and deep-level diversity.

Even though the present study has various strengths, it has limitations. Although this study used temporally segregated data collected at three time points, it does not entail a cross-lagged model in which the independent variable, the mediator(s), and the dependent variables are measured at all periods (Cole & Maxwell, 2003). Compared to our segregated data collection, a cross-lagged approach is better equipped to approximate the mediation's effect size and test for reverse causality or reciprocal relationships (Cole & Maxwell, 2003; Maxwell & Cole, 2007). With this in mind, future studies could consider adopting a cross-lagged design, including our core variables.

Another limitation is that inclusive leadership and synergy diversity climate were measured simultaneously through the same source, thus potentially creating common source bias. More specifically, followers were asked to rate their perceptions of how inclusive their leaders are, which is the standard protocol for collecting data about inclusive leadership behaviors (Al-Atwi & Al-Hassani, 2021; Carmeli, Reiter-Palmon, & Ziv, 2010; Nishii & Leroy, 2022). In addition, employees also rated the degree to which they perceived a synergy diversity climate. In this case, employees can accurately state how well their organization favors a climate where diverse perspectives are valued and respected. Despite the concern for common source bias in this study, the strong support for our CFA and moderation effects suggest that common source bias is not a concern.

A final limitation concerns that our study's sample came from a country with less pronounced variation in terms of religion, culture, and other surface-level diversity characteristics. However, this does not pose a serious concern to our study's findings, as our variable of synergy diversity climate highlights the degree to which employees perceive that the organization respects and values diverse perspectives in the organization from different individuals, which lie at the heart of deep-level diversity. Furthermore, our sample was reflective of differences that pertain to individuals in terms of gender, age, management levels, functional backgrounds, and experience levels, which encompasses elements that mirror both surface and deep-level diversity. Nonetheless, future researchers should make substantial efforts to identify samples from organizations that have variations in terms of deep-level diversity and surface-level characteristics to be as comprehensive as possible in their research of diversity existing in organizations.

Our study showed the importance of inclusive leadership in fostering three pertinent positive employee outcomes. Nonetheless, there is a need to examine the impact of inclusive leadership on other possible outcomes, such as organizational commitment, social integration, and innovative performance. Furthermore, studies should investigate alternative underlying mechanisms in explicating the effects of inclusive leadership. For example, future studies should examine the mediating role of positive affective tone in the relationship between inclusive leadership and outcomes. Future research also could analyze other relevant contextual variables, such as leader–member perceived similarity or role clarity, that may enhance the effectiveness of inclusive leadership in promoting perceived insider status and relational coordination. It also would be interesting to study the role of employees' dispositional traits, such as positive affectivity or core self-evaluations, in the relationship between inclusive leadership and mediators. This line of research might elucidate the types of employees for whom an inclusive leader might foster insider status and relational coordination. To conclude, future studies could simultaneously examine other conceptually related leadership styles alongside inclusive leadership, such as servant, transformational, and supportive leadership, and control for the effects of these leadership styles to establish the potency of the effects of inclusive leadership on its mechanisms and outcomes.

Conclusion

In conclusion, as organizations become increasingly diverse, leaders should focus on enhancing individuals' performance and organizational identification (Randel *et al.*, 2018) by managing diversity more effectively. Our findings offer insights into how and under what conditions leaders adopting an inclusive perspective can manage diversity in their workforce, organization, and the team. Furthermore, our findings bridge the leadership and diversity management literature by unveiling perceived insider status and relational coordination as dynamic processes through which employees enhance their identification with their organization, demonstrate higher task performance, and engage in leader-directed helping behavior. In summary, with these novel insights, we offer practitioners and scholars a platform to explore further the conditions and mechanisms of how and why inclusive leadership invokes positive outcomes in diverse workforces, organizations, and the teams.

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Ethical standards. The International Islamic University Islamabad constitutes departmental Ethics Approval Committees. The FMS Research Ethics Board reviewed ‘The power of inclusive leadership: exploring the mediating role of identity-related processes and conditional effects of synergy diversity climate in nurturing positive employee behaviors’ research proposal and considered the procedures, as described by the applicant, to conform to the University’s ethical standards and IIUI guidelines. Clearance granted on 02/20/2019. Moreover, the participation in the survey was voluntary and study participants were first explained about the details of the project and it was assured to them that their responses will be kept in strict anonymity and will be reported as aggregate results.

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