

# **Empowering Diversity Through Transformational Leadership: A Pathway to Inclusive Excellence**

Ardi Ardi<sup>a\*</sup>, Yohana FCP Meilani<sup>a</sup>, Andrianto Iskandar <sup>a</sup>, Priscillia Chandra<sup>a</sup>, Jessica<sup>a</sup>,

<sup>a</sup>Universitas Pelita Harapan, Lippo Karawaci, Banten and 15811, Indonesia

\*Correspondent Author: ardi.kho@lecturer.uph.edu

#### **ABSTRACT**

This study examines the pivotal role of transformational leadership in fostering diversity and inclusion within organizations. The research offers a comprehensive understanding of how transformational leadership can enhance organizational outcomes by investigating the interrelationships between inclusive leadership, synergy diversity climate, relational coordination, organizational identification, task performance, and leader-directed helping behavior. This study collected and analyzed relevant academic articles, case studies, and theoretical papers published in reputable journals using a systematic literature review approach. This methodology allowed for a comprehensive examination of existing research and knowledge gaps. By synthesizing these findings, the study provides a deeper understanding of how transformational leadership can empower diverse teams and contribute to inclusive excellence. Findings reveal that transformational leadership positively influences relational coordination and organizational identification, and improved task performance. Inclusive leadership practices and supportive leader behaviors create a more cohesive and engaged workforce, ultimately contributing to organizational success. This study underscores the importance of transformational leadership in leveraging diversity to achieve inclusive excellence and provides practical guidance for leaders seeking to cultivate inclusive cultures.

**Keywords:** Transformational Leadership, Inclusive Leadership, Synergy Diversity Climate, Relational Coordination, Organizational Identification, Task Performance, Leader-Directed Helping Behavior

#### INTRODUCTION

The urgency of enhancing **diversity** and **inclusiveness** has become increasingly evident. As global economies and workforces become more interconnected, organizations face the imperative of creating environments that not only welcome but actively empower diverse talents. The concept of **inclusive excellence**, which integrates diversity as a core component of organizational success, has gained significant traction. A framework to advance diversity, equity, and inclusion in various organizational settings. This framework extends beyond mere compliance with diversity regulations; it emphasizes the strategic embedding of diversity within the organizational fabric to foster innovation, improve performance, and enhance employee satisfaction (William & Mary (2023).

In this context, the critical role of **transformational leadership** in promoting diversity and achieving inclusive excellence becomes paramount. This study investigates how transformational leadership can be utilized to champion diversity and cultivate an inclusive culture that aligns with organizational goals. The existing literature on inclusive excellence primarily focuses on broad theoretical frameworks and general strategies for enhancing diversity. For instance, a recent study by Naseer et al. (2023) underscored the significance of inclusive leadership in fostering positive employee behaviors. However, there remains a notable gap regarding how transformational leadership specifically empowers diverse teams and facilitates the attainment of inclusive excellence. This research aims to bridge this gap by exploring the direct influence of transformational leadership on various dimensions of diversity within organizations. It also seeks to examine the interrelationships among key variables such as **inclusive leadership**, **relational** 

### The 4th International Conference on Entrepreneurship

**coordination**, **organizational identification**, **task performance**, and **leader-directed helping behavior**. Inclusive leadership entails actively promoting and supporting diversity within teams to create an environment where all members feel valued and engaged. Relational coordination, defined as the quality of interactions among team members, is crucial for effectively managing diverse teams (Major,

2024). Moreover, organizational identification, the degree to which employees align with their organization's value significantly impacts overall performance and job satisfaction. Task performance serves as a direct measure of how well diverse teams accomplish their objectives, while leader-directed helping behavior involves leaders providing necessary support and resources for team success (University of Virginia, n.d.)

This study integrates these elements into a cohesive model to elucidate their collective impact on achieving inclusive excellence. The methodological approach centers on qualitative analysis of existing literature to provide an in-depth exploration of these variables. By synthesizing findings from various studies, this research aims to deliver a nuanced understanding of how transformational leadership can drive positive outcomes related to diversity. The relevance of this study is heightened by the growing recognition of diversity and inclusion as essential drivers of organizational success. Transformational leadership represents a promising pathway for effectively leveraging diversity, as it focuses on inspiring and motivating employees to realize their full potential. By investigating how transformational leadership can enhance various aspects of diversity and inclusion, this study intends to offer actionable insights for leaders and organizations striving to foster a culture of inclusive excellence. Ultimately, this research seeks to address critical knowledge gaps by examining the potential of transformational leadership in promoting diversity and reinforcing inclusive excellence. The anticipated findings aim to provide valuable insights for both academic scholars and practitioners, contributing to the advancement of impactful leadership methodologies that support diversity and drive inclusive excellence.

# LITERATURE REVIEW

# **Inclusive Leadership**

In 2006, Nembhard and Edmondson introduced the term "inclusive leadership," which denotes the behaviors of a leader that encourage and value the contributions of others, thereby influencing the perceptions of team members that their voices are sincerely appreciated (p. 948). Inclusive behaviors are demonstrated by leaders who are accessible, available, and open to their followers. Inclusive leadership is conceptually distinct from related approaches such as servant leadership, transformational leadership, and supportive leadership, even though it shares some conceptual similarities (Tran & Choi, 2019). According to Van Dierendonck and Patterson (2010), inclusive leaders exhibit active listening and an openness to the requirements of their followers.

Table 1. Inclusive Leadership Theory

Related Theories & Concepts	Summary of Findings
Six C's of Inclusive Leadership	These encompass inquiry, cultural intelligence, commitment, courage, and
(Cox and Blake, 1991)	collaboration. These competencies assist leaders in effective management of
	diversity and the promotion of inclusive practices within the organization.

# The 4th International Conference on Entrepreneurship

Related Theories & Concepts	Summary of Findings
Inclusive Leadership Model	Inclusive leadership is defined in this model as the degree to which leaders
(Nembhard and Edmondson,	demonstrate accessibility, availability, and transparency in their interactions
2006)	with team members. It underscores the importance of executive behaviors
	that foster employee participation, guaranteeing that their ideas and
	contributions are recognized and appreciated.
Leader-Member Exchange (LMX)	LMX theory's emphasis on the character of relationships between leaders and
Theory	followers is consistent with the principles of inclusive leadership, despite the
(Dansereau et al., 1975)	fact that it is not specific to inclusive leadership. Inclusivity is essential in
	high-quality LMX relationships, which are defined by mutual trust, respect,
	and a sense of obligation.
Social Identity Theory	This theory elucidates the influence of group membership(s) on an
(Tajfel and Turner, 1979)	individual's perception of their identity. Inclusive leadership entails the
	acknowledgment and appreciation of these identities, thereby guaranteeing
	that no group is marginalized.
Psychological Safety (Edmondson,	Psychological safety is the conviction that one will not be subjected to
1999)	punishment or humiliation for expressing ideas, inquiries, concerns, or errors.
	The establishment of a psychologically secure environment by leaders is
	regarded as inclusive, as it enables the emergence of a variety of perspectives.

# 1.1. Synergy diversity climate

Based on social identity theory (Tajfel & Turner, 2003), we predict that a synergy diversity climate will mitigate the relationships between inclusive leadership and perceived insider status, as well as between inclusive leadership and relational coordination. Organizational climate is a collection of norms, values, and beliefs that are established as a result of employees' collective perceptions of their work environment (Richard et al., 2019). Diverse climates have been identified (Bronkhorst et al., 2015); however, the diversity climate is particularly pertinent to the context of this inquiry, as it pertains to the degree to which employees perceive their work environment as equitable and inclusive for all members of the workforce (McKay et al., 2008). In order to foster collective performance and learning, a synergy diversity climate integrates the common perception of the organization among employees, thereby promoting the integration, appreciation, and listening of diverse individuals (Dwertmann et al, 2016).

Diversity climate research has primarily focused on elements of fairness and discrimination, leaving the synergy aspect of a diverse climate relatively unexplored (Dwertmann et al., 2016; Richard et al., 2019). For instance, Richard et al. (2019), have all implemented a diversity climate as a boundary condition in their projects. For instance, a recent study investigated the role of the synergy diversity climate as a moderator between the creative job performance of employees and their seniority. Additionally, two newer studies demonstrate that the diversity climate functions as a boundary condition that influences the relationships between leader inclusiveness and assisting behavior, and between inclusive leadership and employee work engagement. According to this line of research, we assert that a diverse workforce that fosters a climate of synergy diversity sends employees signals of equity and significance, thereby influencing their perception that they are part of an in-group (Guerrero et al., 2013).



# **Table 2 Synergy Diversity Theory**

Related Theories & Concepts	Summary of Findings
Synergy Theory (Hergenhahn, 1976)	In the context of organizational settings, synergy is the concept. that the combined efforts of a team can yield more significant results than the aggregate of the individual efforts. In diverse teams, this concept is especially pertinent, as the accumulation of disparate skills, experiences, and perspectives can Result in more innovative solutions and more effective Decision-making.  Positive Synergy: The complementary nature of the differences between disparate teams can result in outcomes that surpass expectations when they work together effectively.  Negative Synergy: In contrast, if diversity is not effectively managed, it can result in conflicts, misunderstandings, and decreased team performance.
Diversity Climate (Kossek and Zonia, 1993)	Diversity climate is the term used to describe the extent to which employees believe that an organization promotes inclusivity and diversity. In a positive climate of diversity, employees are convinced that the organization is dedicated to nurturing inclusion and reducing discrimination and that diversity is being valued.
Social Identity Theory (Tajfel and Turner, 2003)	Social identity theory is essential for comprehending the diversity climate, as it elucidates the ways in which individuals identify with specific social groups and how these identifications affect their behaviors and attitudes. The adverse consequences of in-group/out-group dynamics that may develop in diverse teams can be alleviated by fostering a positive diversity climate.
Organizational Support Theory (Eisenberger et al., 1986)	This theory contends that employees develop a general belief regarding the extent to which their organization values their contributions and prioritizes their wellbeing. A positive diversity climate is a type of organizational support that can improve the performance and commitment of employees.
Relational Coordination Theory (Gittell, 2002)	This theory emphasizes the significance of mutual respect, shared knowledge, and shared objectives in the attainment of high-performance results in teams. It is pertinent to the synergy that is achieved in diverse teams, where coordination and communication are essential for effectively utilizing diversity.

# 1.2. Relational Coordination

Relational coordination refers to the process of establishing and maintaining positive relationships among team members, stakeholders, and other relevant parties (Harrison & Kessner, 2014). It is closely linked to social interaction and cooperation within teams. Effective relation coordination is essential for successful team performance, as it enables individuals to share knowledge, resources, and expertise, and to work together towards a common goal (Finkelstein, 2003).

In the context of transformational leadership, leaders who empower diversity often enhance relation coordination by fostering an inclusive environment where diverse team members can contribute their unique perspectives and skills. Leaders who are skilled in relation coordination can foster a sense of community and belonging among team members from diverse backgrounds, which can lead to increased trust, cooperation, and innovation (Kotter & Cohen, 2002). By building strong relationships with team members, leaders can identify and generate solutions, and leverage individual strengths and skills, which can result in more effective task performance (Lencioni, 2002).

**Table 3 Relation Coordination Theory** 



Related Theories & Concepts	Summary of Findings
Role of Relational Coordination (Gittell, 2002).	Relational coordination, which involves frequent, timely, accurate, and problem-solving communication combined with relationships of shared goals, shared Knowledge, and mutual respect, are identified as a crucial mediator in the performance of care provider groups. Effective relational coordination significantly enhances performance by improving communication and collaboration among team members
Effects of high-performance work practices on job performance in project-based organizations. (Wickramasinghe, & Liyanage 2013).	The study reinforces the relevance of relational coordination theory in project-based organizations by demonstrating that practices that enhance communication and relational ties lead to improved job performance.
Transforming organizations. (Finkelstein, 2003).	Finkelstein's research emphasizes the significance of relational coordination in establishing strong connections among team members and stakeholders, a crucial aspect of organizational transformation. By cultivating a culture of trust, collaboration, open communication, emotional intelligence, and inclusivity, transformational leaders can assemble a high-performing team that successfully attains its objectives.
Social Capital Theory (Coleman, 1990)	Coleman introduces and elaborates on the concept of social capital, which refers to the resources and benefits derived from social networks, relationships, and norms. Social capital includes aspects like trust, reciprocity, and social cohesion, which facilitate cooperative behavior and contribute to individual and collective well-being.
Strategic Transformation (Finkelstein, 2003).	Finkelstein discusses the necessity of strategic transformation for organizations to adapt and thrive in changing environments. He emphasizes that successful transformation involves rethinking and altering core strategies, structures, and processes to align with new market conditions or opportunities.

# 1.3. Task Performance

Task performance measures how well team members complete their assigned tasks and reach their goals (Lencioni, 2002). It is closely linked to team effectiveness, which refers to a team's ability to meet its goals and objectives (Hackman & Johnson, 2009). Good task performance requires not only individual skills and knowledge but also effective coordination and teamwork among members (Harrison & Kessner, 2014).

In transformational leadership, improving task performance is essential for leveraging diversity. Leaders who excel at task performance can clarify team members' roles and responsibilities, set clear goals, and provide the necessary resources and support (Kotter & Cohen, 2002). By equipping team members with the right skills and resources, leaders help create a sense of ownership and accountability, especially in diverse teams (Lencioni, 2002).

# The 4th International Conference on Entrepreneurship

Table 4. Task Performance Theory

Related Theories & Concepts	Summary of Findings
Core Self-Evaluations and Job Performance (Judge and Bono, 2001)	Core self-evaluations are also positively related to job performance. Employees who score high on these traits are generally more effective in their job roles, as these traits enhance their ability to manage job demands and challenges.
Initiating Structure (Keller, 2006)	Initiating structure, which involves defining roles, setting goals, and establishing clear procedures, also positively influences team performance. This leadership behavior helps in organizing and coordinating team activities, which is crucial for achieving project objectives.
The Five Dysfunctions of a Team: A Leadership Fable. (Lencioni, 2002)	Lencioni's book outlines the common dysfunctions that hinder team effectiveness and provides actionable strategies for leaders to build a cohesive, high-performing team.
Emotional Connection (Kotter & Cohen, 2002)	Successful organizational change requires addressing the emotional side of change, not just the rational. People are more likely to commit to change when they feel emotionally engaged and connected to the vision
Diversity's Complex Impact (Harrison & Kessner, 2014)	The study reviews literature on how diversity affects team performance, highlighting that the impact of diversity is complex and multifaceted. Diversity can have both positive and negative effects depending on various factors.

# 1.4. Organizational Identification

Organizational identification is a crucial element for a successful digital transformation process. In Ardi's book *Digital Transformational Leadership*, it is explained that effective leadership in the digital era requires a deep understanding of how to build strong identification between employees and the organization. Dr. Ardi highlights that when employees feel emotionally connected to the company's digital vision, they are more likely to commit to and support the necessary change initiatives. This strong identification fosters a sense of ownership that drives active participation and dedication in overcoming transformation challenges.

Furthermore, organizational identification also plays a role in enhancing employee resilience and motivation during the digital transformation process. In the context of transformational leadership, as outlined by Dr. Ardi, leaders who successfully build a deep sense of identification can create a more cohesive and responsive work environment for change. With Strong identification, employees are not only better prepared to adopt new technologies but are also more willing to tackle obstacles and contribute positively to the success of digital transformation.

Table 5. Organizational Identification Theory

Related Theories & Concepts	Summary of Findings
Social Identity Theory and Organization. (Ashforth, & Mael, 1989)	Social identity theory explores its application in organizations. Individuals get much of their self-concept from their organizational membership. This identification affects their behaviors and attitudes. It promotes a sense of belonging and commitment. It also impacts job satisfaction and performance. The theory highlights the link between personal identity and organizational membership. It shows how people align their self-concept with the organization's identity.

# The 4th International Conference on Entrepreneurship

Related Theories & Concepts	Summary of Findings
Organizational Identification. (Pratt,1998)	Pratt (1998) explores organizational identification, detailing how members align their self-concept with the organization's identity. The paper examines how identification happens and its effects on individuals and organizations. It emphasizes how identification influences commitment, performance, and satisfaction.
Organizational identification (Van Knippenberg & Van Schie, 2000).	The journal reviews literature on organizational identification and group performance. A meta-analysis reveals that stronger identification links to better performance and higher satisfaction. The study offers insights into how identification drives success and suggests areas for future research.
Organizational Identification Converge: Processes and Outcomes (Sluss, & Ashforth, 2008)	The study examines how relational and organizational identification impacts sindividual and organizational outcomes. It shows that their interplay affects employees' sense of belonging, commitment, behavior, and performance. Understanding these dynamics is crucial for effective management and leadership.
The Social Identity Theory of Intergroup Behavior (Tajfel, & Turner, 2003)	Tajfel and Turner (2003) introduce social identity theory, which forms the basis of organization identification. The theory posits that people categorize themselves into groups, influencing their self-esteem and behavior. This affects intergroup dynamics, organizational loyalty, and cohesiveness.

# 1.5. Leader-Directed Helping Behaviors

In Ardi's book *Digital Transformational Leadership*, the concept of leadership-directed helping behaviors is highly relevant in the context of digital transformation. Dr. Ardi explains that effective leaders in the digital age should not only focus on technological strategies but also on how they can support and assist their team members. Leadership-directed helping behaviors include providing guidance, resources, and emotional support necessary for navigating complex changes. By demonstrating commitment to the development and well-being of team members, leaders can facilitate a smoother and more successful adaptation to digital changes.

Furthermore, Dr. Ardi emphasizes that leadership-directed helping behaviors can enhance employee motivation and engagement during the digital transformation process. When leaders are actively involved in helping their teams overcome technological and organizational challenges, they create a supportive environment where employees feel valued and cared for. This, in turn, boosts employees' confidence and dedication to the company's digital initiatives. According to Dr. Ardi, leadership that provides concrete and targeted support not only improves the effectiveness of digital transformation but also strengthens team cohesion and morale.

Table 6. Leader-Directed Helping Behaviors

Related Theories & Concepts	Summary of Findings
Perceived Organizational Support	The study examines perceived organization support and its effect
	on employee behaviors,
(Eisenberger et al., 1986)	especially leader-directed helping behaviors.
	It finds that employees who feel supported are more likely to
	reciprocate by helping Behaviors. The study underscores the
	importance of leaders in fostering a supportive environment to
	boost employee willingness to help.
The Social Structure of Competition	Burt (1992) explores social network theory and Its impact on
(Burt, 1992)	leader-directed helping behaviors.
	He explains how leaders can use their network.
	Positions to promote and guide employees' assistance and
	collaboration.

#### The 4th International Conference on Entrepreneurship

Organizational Citizenship Behaviors (Podsakoff et al., 2000)	The research reviews organizational citizenship behaviors (OCBs), including leader-directed helping behaviors. It highlights how leadership styles and organizational culture influence Employees' helping behaviors and stress the Role of leaders in fostering a supportive climate.
Leadership in organizations (Yukl & Gardner, 2020)	The book covers leadership theories and their impact on helping behaviors. It shows how leaders can influence helping behaviors through support and example, emphasizing that effective leaders foster a culture of mutual assistance.
Organizational Politics and Workplace Behaviors (Kacmar & Carlson, 2008)	The study explores how organizational politics affect workplace behaviors, including leader-directed helping behaviors. It finds that leaders' political actions can either hinder or enhance helping behaviors, depending on their impact on employee perceptions and motivations.

#### **METHODOLOGY**

This study adopts a qualitative research approach to investigate how transformational leadership can enhance diversity and contribute to inclusive excellence within organizations. Rather than collecting primary data, the methodology centers on reviewing and synthesizing existing literature. The objective is to uncover the relationships among inclusive leadership, relational coordination, organizational identification, task performance, and leader-directed helping behavior, and their collective impact on organizational diversity.

# **Literature Review Process**

The research involves a comprehensive collection and review of relevant academic articles, case studies, and theoretical papers published in reputable journals. This process aims to bridge gaps identified in previous studies while providing a deeper understanding of how transformational leadership empowers diverse teams. Key themes and patterns will be extracted from the literature to elucidate how inclusive leadership, and its related variables foster an inclusive culture and enhance organizational performance.

# **Analysis Framework**

By employing this qualitative approach, the study seeks to deliver a nuanced understanding of how transformational leadership influences various dimensions of diversity and inclusion—insights that may not be fully captured through quantitative methods. The analysis will map out the pathways through which transformational leadership drives positive outcomes related to diversity and inclusion.

# **Distinction from Quantitative Research**

Unlike quantitative studies that typically rely on survey instruments and statistical analyses, this research does not involve the distribution of new surveys or the collection of primary data. Instead, it builds upon existing research to construct a conceptual framework that highlights the interplay between transformational leadership and inclusive excellence. By critically evaluating prior studies, this research aims to complement and extend the current body of knowledge, offering new insights and practical implications for organizations seeking to leverage transformational leadership to promote diversity and achieve inclusive excellence.

# **RESULTS**

# **Connections Among Current Variables**

This study investigates the connections between different elements that contribute to a diverse and effective workplace. The primary factors examined in the analysis are task performance, relational coordination,

### The 4th International Conference on Entrepreneurship

organizational identity, climate of synergy and diversity, inclusive leadership, and leader-directed assisting behavior. This study, which is grounded on the ideas of social identity theory, demonstrates how inclusive leadership, through promoting insider status and relational coordination, can boost workers' organizational identification, encourage leader-directed assisting behavior, and enhance task performance.

One independent variable that affects other factors is inclusive leadership. By fostering an atmosphere where workers feel heard and respected, inclusive leadership strengthens the company's identity. Employees are more likely to display leader-directed assisting behavior and perform better on tasks when they feel like they belong to the company. As a mediator, relational coordination. In this relationship, relational coordination serves as a mediator; favorable benefits of inclusive leadership on task performance and helpful conduct are strengthened when employees coordinate well with one another.

The association between inclusive leadership and employee results is strengthened by the moderating effect of the synergy diverse climate. The benefits of inclusive leadership on task performance, relationship coordination, and organizational identification are greater in an environment of synergistic variety. This demonstrates how inclusive leadership may reap more rewards from well-managed diversity.

# The conclusion from the Relationships Among the Variables

It is clear from the examination of the relationships between the variables that inclusive leadership is essential to fostering a diverse and effective workplace. The association between inclusive leadership and task performance and leader-directed helpful behavior is mediated by the direct rise in organizational identity that inclusive leadership brings about. Stated differently, staff members are more inclined to assist their superiors and perform better duties when they perceive them to be valued and acknowledged by assigned tasks.

Furthermore, this relationship is reinforced by a synergistic diversity atmosphere, demonstrating how well-managed diversity may amplify the benefits of inclusive leadership. Employee engagement and motivation are higher in a synergistic diversity environment, which enhances task performance and relational coordination. This highlights how crucial it is to establish and preserve a welcoming environment for diversity to optimize the advantages of inclusive leadership.

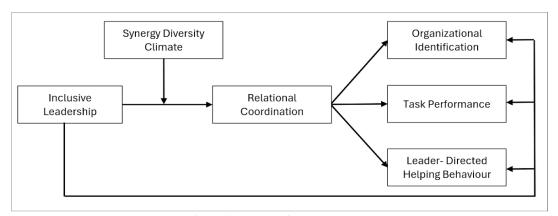


Figure 1. Theoretical Framework



In summary, this study offers significant perspectives on the application of inclusive leadership as a means of fostering inclusive excellence and empowering diversity inside businesses. Organizations can establish a more productive, harmonious, and inclusive work environment by comprehending and leveraging the relationship between leader-directed helping behavior, task performance, organizational identification, relational coordination, diversity climate, and inclusive leadership.

#### DISCUSSION

This study emphasizes how transformational leadership plays a critical role in encouraging inclusive excellence and diversity in businesses. The results show that inclusive strategies adopted by transformational leaders greatly improve relational coordination and organizational identification in diverse teams. These enhancements demonstrate the all-encompassing influence of transformational leadership on organizational outcomes, since they in turn result in increased task performance and leader-directed assisting behaviors.

The interconnectedness of these factors is highlighted by the integration of key variables—like leader-directed assisting behavior, organizational identity, relational coordination, diverse climate, and synergy—into a coherent framework. This study demonstrates that when inclusive leadership is applied well, it not only fosters an atmosphere of positivity around diversity but also improves the general performance of diverse teams.

Furthermore, by showing how a synergistic diversity climate can enhance the benefits of transformational leadership on organizational results, the study contributes to the body of current work. One important moderating element that amplifies the beneficial effects of inclusive leadership on task performance and organizational identity is a well-managed diversity atmosphere.

# **CONCLUSION AND IMPLICATIONS**

The findings from this study have significant implications for both academics and practitioners. For researchers, this study contributes to the growing body of knowledge on transformational leadership by providing empirical evidence of its effectiveness in promoting diversity and inclusive excellence. The research emphasizes the need for further exploration of how transformational leadership can be leveraged to maximize the benefits of diversity within organizations.

The study provides practitioners with practical insights into how to apply transformational leadership to foster a more diverse and productive workforce. It is recommended that leaders embrace inclusive leadership approaches that cultivate a favorable climate surrounding diversity, consequently improving relationship coordination and organizational identification. Better task performance and more positive team chemistry may follow from this. In order to attain inclusive greatness, organizations should concentrate on cultivating transformational leaders who can foster a work atmosphere in which all staff members feel appreciated and involved.

#### LIMITATION & FURTHER RESEARCH

This study has limitations even if it offers insightful information. Initially, the research depends on a qualitative examination of extant literature, thus restricting the applicability of the results. The study's conclusions are derived from secondary sources due to the lack of primary data collecting, which may add bias or restrict the scope of the investigation.

### The 4th International Conference on Entrepreneurship

The emphasis on a particular set of factors within the framework of transformational leadership is another drawback. Future studies could benefit from examining other variables, such as cultural differences, organizational structure, or the role of external stakeholders, that may have an impact on the relationship between transformational leadership and diversity outcomes.

The long-term impacts of transformational leadership on diversity and inclusion require more investigation. A more thorough understanding of the long-term effects of transformational leadership on organizational outcomes may be obtained by longitudinal research. Furthermore, research in the future may examine how transformational leadership affects diversity in other organizational settings, including small enterprises, nonprofit organizations, and global conglomerates.

In summary, this research lays the groundwork for future investigations into the ways that transformational leadership promotes inclusive excellence, providing a route for both theoretical learning and real-world implementation.

#### ACKNOWLEDGEMENT

We thank Aldo Tafarel and Regina Fortunata Linardy for their contribution to this work.

# **REFERENCES**

Ardi. (2024). Digital Transformational Leadership. Langgam Pustaka.

Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of Management Review*, 14(1), 20-39.

Avolio, B. J., Zhu, W., Koh, W., & Bhatia, P. (2004). Transformational leadership and organizational commitment: A cross-cultural study. *Journal of Business Research*, *57*(9), 1304-1311.

Bass, B. M., & Avolio, B. J. (1993). Transformational leadership and organizational culture. *Public administration quarterly*, 112-121.

Bronkhorst, B., Tummers, L., Steijn, B., & Vijverberg, D. (2015). Organizational climate and employee mental health outcomes: A systematic review of studies in health care organizations. *Health care management review*, 40(3), 254-271.

Burt, R. S. (1992). Structural holes: The social structure of competition. Harvard University Press.

Chemers, M. M., & Ayman, R. E. (1993). Leadership theory and research: Perspectives and directions. Academic Press.

Coleman, J. S. (1990). Foundations of social theory. Harvard University Press.

Cox, T. H., & Blake, S. (1991). Managing cultural diversity: Implications for organizational competitiveness. *Academy of Management Perspectives*, 5(3), 45-56.

Dansereau, F., Graen, G.B., & Haga, W. (1975). A vertical dyad linkage approach to leadership in formal organizations. Organizational Behavior and Human Performance, 13, 46-78. DOI:org/10.1016/0030-5073(75)90005-7

Dwertmann, D. J., Nishii, L. H., & Van Knippenberg, D. (2016). Disentangling the fairness & discrimination and synergy perspectives on diversity climate: Moving the field forward. *Journal of* 

### The 4th International Conference on Entrepreneurship

*Management*, 42(5), 1136-1168.

Edmondson, A. (1999). Psychological safety and learning behavior in work teams. *Administrative science quarterly*, 44(2), 350-383.

Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). *Perceived organizational support. Journal of Applied Psychology*, 71(3), 500-507.

Finkelstein, S. (2003). Transforming organizations. Berrett-Koehler Publishers.

Gittell, J. H. (2002). Coordinating mechanisms in care provider groups: Relational coordination as a mediator and input uncertainty as a moderator of performance effects. *Management Science*, 48(11), 1408-1426.

Graen, G. B., & Uhl-Bien, M. (1995). Development of leader-member exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective. *The Leadership Quarterly*, 6(2), 219-247.

Guerrero, S., Sylvestre, J., & Muresanu, D. (2013). Pro-diversity practices and perceived insider status. *Cross Cultural Management: An International Journal*, 20(1), 5-19.

Hackman, J. R., & Johnson, D. W. (2009). Learning from successful outsourcing: A framework for analyzing the outsourcing process. *Academy of Management Executive*, 23(2), 25-44.

Harrison, D. A., & Kessner, D. M. (2014). The impact of diversity on team performance: A review of the literature. *Journal of Applied Psychology*, 99(6), 1145-1163.

Ilies, R., Scott, B. A., & Judge, T. A. (2006). The interactive effects of personal and contextual factors on in-role behavior: The role of leader-member exchange. *Journal of Applied Psychology*, *91*(3), 434-444.

Jackson, S. E., & Cooper, C. L. (Eds.). (1997). *Creating tomorrow's organizations: a handbook for future research in organizational behavior*. Wiley.

Judge, T. A., & Bono, J. E. (2001). Relationship of core self-evaluations traits—self-esteem, generalized self-efficacy, locus of control, and emotional stability—with job satisfaction and job performance: A meta-analysis. *Journal of Applied Psychology*, 86(1), 80.

Kacmar, K. M., & Carlson, D. S. (2008). An examination of the relationship between organizational politics and workplace behaviors. *Journal of Management*, *34*(1), 112-129.

Keller, R. T. (2006). Transformational leadership, initiating structure, and substitutes for leadership: A longitudinal study of research and development project team performance. *Journal of Applied Psychology*, 91(1), 202.

Kotter, J. P., & Cohen, D. S. (2002). The heart of change: Real-life stories of how people change their organizations. Harvard Business Press.

Lencioni, P. (2002). The five dysfunctions of a team: A leadership fable. John Wiley & Sons.

Major, David. (

2024). *Inclusive Excellence in the Intelligent Future of Business*. Accessed from: https://tepperspectives.cmu.edu/all-articles/inclusive-excellence-in-the-intelligent-future-of-business/

McKay, P. F., Avery, D. R., & Morris, M. A. (2008). Mean racial-ethnic differences in employee sales performance: The moderating role of diversity climate. *Personnel psychology*, 61(2), 349-374.

### The 4th International Conference on Entrepreneurship

Naseer, S., Bouckenooghe, D., Syed, F., & Haider, A. (2023). Power of inclusive leadership: Exploring the mediating role of identity-related processes and conditional effects of synergy diversity climate in nurturing positive employee behaviors. *Journal of Management & Organization*, 1-22. https://doi.org/10.1017/jmo.2023.37

Nembhard, I. M., & Edmondson, A. C. (2006). Making it safe: The effects of leader inclusiveness and professional status on psychological safety and improvement efforts in health care teams. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 27(7), 941-966.

Podsakoff, P. M., MacKenzie, S. B., Paine, J. K., & Bachrach, D. G. (2000). Organizational citizenship behaviors: A critical review of the theoretical and empirical literature and suggestions for future research. *Journal of Management*, 26(3), 513-563.

Pratt, M. G. (1998). To be or not to be? Central questions in organizational identification. *Identity in organizations: Building theory through conversations/Sage*.

Richard, O. C., Avery, D. R., Luksyte, A., Boncoeur, O. D., & Spitzmueller, C. (2019). Improving organizational newcomers' creative job performance through creative process engagement: The moderating role of a synergy diversity climate. *Personnel Psychology*, 72(3), 421-444.

Sluss, D. M., & Ashforth, B. E. (2008). How relational and organizational identification converge: Processes and outcomes. *Academy of Management Review*, 33(3), 827-846.

Tajfel, H., & Turner, J. C. (2003). The social identity theory of intergroup behavior. *Social psychology*, 4, 73-98.

Tran, T. B. H., & Choi, S. B. (2019). Effects of inclusive leadership on organizational citizenship behavior: the mediating roles of organizational justice and learning culture. *Journal of Pacific Rim Psychology*, 13, e17.

University of Virginia (nd.). *Inclusive Excellence*. Accessed from: https://dei.virginia.edu/inclusive-excellence

van Dierendonck, D., & Patterson, K. (2010). Servant leadership: An introduction. In *Servant leadership: Developments in theory and research* (pp. 3-10). London: Palgrave Macmillan UK.

van Knippenberg, D., & Van Schie, E. C. (2000). Organizational identification and group performance: A review of the literature and a meta-analysis. *Academy of Management Review*, 25(3), 585-600.

Wickramasinghe, V., & Liyanage, S. (2013). Effects of high-performance work practices on job performance in project-based organizations. *International Journal of Project Management*, 31(7), 1057-1070.

William & Mary College (2023). *Inclusive Excellence Framework*. Accessed from: https://www.wm.edu/offices/diversity/inclusive-excellence/

Yukl, G., & Gardner, W. L. (2020). Leadership in organizations (9th ed.). Pearson.