Impact of inclusive leadership on variables affecting employee performance: A review of empirical papers

Dr. Anjali Bhatnagar and Gunjan Aggarwal

Abstract
In today's world symbolized by complexity and volatility, human capital has assumed even more relevance as diverse talents and ideas rule the economies. It is in this context that inclusive leadership (IL) refers to an authentic style of leadership that encourages and leads heterogeneous groups of people towards accomplishing the objectives of the firm. An inclusive leader brings about efficiency in performance while honoring their uniqueness with empathy and an unbiased approach. This paper reviews empirical works on IL and how it impacts employee's performance directly on its own as well as through other mediating variables. 40 research papers belonging to the period 2010-2021 were shortlisted and reviewed for their output. The results suggest a strong preference for social exchange theory and leader member exchange theory among researchers. Further, psychological safety and innovative work behavior emerged as the most sought-after variables explaining the different relationships pertaining to IL. On reviewing, it can be concluded that IL remains an essential component in the making and continued performance of an organization with many more variables interjecting through human interaction.

Keywords: inclusive leadership, social exchange theory, leader member exchange, creativity, commitment, psychological safety, innovation

Introduction
Leadership as a managerial trait has over the years metamorphosed into many forms and styles that include innovative, command and control or bureaucratic (Webber, 1947), laissez-faire, situational (Blanchard & Hershey, 1969), servant (Greenleaf 1970), charismatic (House, 1976) transformational (Burn 1978), affiliative, authoritative, coaching, democratic, coercive and pacesetter or transactional (Goleman, 2002) [18]. The 21st century leader is, by definition, an inclusive leader. The theory of inclusive leadership attempts to explain the role of a leader who possesses integral skills to be able to respond effectively to his/her subordinates and maximize their potential. Hollander (2012) examined the presence of value and respect of employees, adequate encouragement and feedback to provide ample grounds in nourishing skills and deriving better employee performance. Inclusive leadership attributes viz., openness, tolerance in demanding situations, risk taking, adaptability and independence play an important role in the functioning of the leader thus leading to organizational success (Hassan & Hassan, 2018) [18]. Inclusive leadership assist employees by displaying concerns about how their employees feel, and also focus on their interests and expectations. An inclusive leader has the ability not only to embrace individual differences but to potentially leverage them for competitive advantage. In recent times four mega-sized global trends have contributed to the environment, pattern, priorities and practices of businesses. These are identified as: a) Diversity of markets attributable to the new emerging markets and section of society e.g. middle class, b) Diversity of customers including wider customer base and personalisation of products and services, c) Diversity of ideas involving digitalisation, and deregulation. d) Diversity of talent with changing profiles, unprecedented migrations, equality of opportunity, expectations relating to work/life balance. [Deloitte] These six signature traits of IL are cognizance of bias, curiosity, cultural intelligence, commitment and collaboration. Leaders with a high level of commitment are prone to be inclusive, so as to imbibe all the diversity. Likewise, they stand up to their strengths and weaknesses, and openly address their challenges. Another important attribute is being cognizant about the blind spots and regulating oneself to play fair. An open mindset, a zeal for enquiry and acceptance of uncertainty as well as ambiguity enables inclusive leaders to maintain...
curiosity. A competent leader is well versed with different cultural backgrounds and is effective in his interactions keeping a mental map of varying cultural frameworks. Collaboration is an attribute at the foundation of group dynamics, an inclusive leader empowers teams and leverages employee voice.

The ensuing paragraphs talk about the various socio psycho theories and variables affecting inclusive leadership, keeping in mind the objectives of this study.

**Objective of the Study**

The objective of this paper is to a). Review and critically analyze existing empirical literature on Inclusive leadership. b). To highlight the socio-psychological theories relevant in managerial context. c). Analyze the direct and indirect relationships that have an impact on the functioning of employees determining the success of the organization.

**Research Design**

Being a review paper, the authors shortlisted 40 empirical research papers selected from Google Scholar using keywords relating to the area of inclusive leadership highlighting its relational aspects with other variables such as innovation, creativity, wellbeing, project success etc. The selected papers belong to an 11 years period from 2010 -2021, and were selected on the basis of convenience sampling. This time was relevant due to the growing importance of this topic in recent years. The empirical work conducted in these papers was studied, summarized and synthesized for future research. Furthermore, the justification to the relevant socio-psychological theories was also assessed. (Annexures attached for the summary of detailed synthesis of the direct and indirect relationships between inclusive leadership and the other set of variables.)

The next section reviews the existing empirical works of researchers carried out in the field of inclusive leadership.

**Review of Literature**

**Employee creativity, innovative work behavior**

The mediating role of psychological safety between inclusive leadership (IL) and employee involvement in creative tasks (EC) was studied by Carmeli, Reiter Palmon and Ziv (2010) [7]. Using structural equation modeling on a sample of 150 employees the researchers reported a positive relationship between all three variables, with psychological safety (PsyS) mediating the relationship between IL and EC. Relational leadership theory has also been studied to explain its different facets on psychological safety and employee creative work tasks along with motivation. Similarly, Hassan and Hassan (2018) [18] analyzed the role of PsyS as a mediator between IL and teacher’s involvement in creative tasks. The results from the structural equation model using AMOS on a sample of 290 teachers showed a strong and statistically significant mediation effect of psychological safety between the aforementioned variables. Choi, Tran and Park (2015) [9] conducted a study on 246 Vietnamese employees from 6 organizations to test the mediating role of organizational commitment and creativity on inclusive leadership and work engagement. In this work, the researchers attempted to establish the strong relationship between inclusive leadership style and work engagement owing to the fact that the leader is aware and focuses on the needs of the employees (Hollander, 2019) [19]. The results from the same indicated a significant positive association between inclusive leadership and work engagement. This relationship was also reported to be mediated by affective organizational commitment (AOC) and employee creativity (EC). This research paper tried to substantiate the findings in consonance with the social exchange theory in order to provide helpful implications for management, for improving employee work engagement. It also demonstrates the link between inclusive leadership and effective organizational commitment as well as creativity.

Mavrokedatos (2015) studied the association between IL, creative work involvement, PsyS, openness to experience (OE) and vitality (V). The bootstrapping path analysis results from a sample of 519 individuals indicated the presence of a positive relationship between PsyS and OE on creative work involvement. Inclusive leadership also had a significant positive effect on psychological safety. However, V was not found moderating the relationship between psychological safety and creative work involvement.

Javed, Naqvi, Khan, Arjoon and Tayyeb (2017) [22] conducted a quantitative research on 180 textile industry workers to study the mediating role of psychological safety between IL and innovative work behaviour (IWB). The results from the mediation analysis using structural equation modeling showcased a positive association between IL and IWB, with PsyS partially mediating their relationship. The researchers specifically drew upon the LMX theory as the foundation of this research. Similarly a partial mediation effect of leader member exchange between inclusive leadership and innovative work behaviour was reported by Javed, Karim and Quratulain (2018) [24]. The researchers conducted this study on 150 employees from small capitalized firms in Pakistan. The bootstrapping results from mediation analysis supported the partial mediation model between the aforementioned variables highlighting the importance of quality interactions between leaders and their employees.

In yet another study conducted by Javed, Abdullah, Zaffar, Haque and Rubab (2018) [23] psychological empowerment was found to be partially mediating the relationship between IL and IWB. This was indicated in the bootstrapping results from the mediation analysis on 390 employees in the information technology and cargo sectors within the United Kingdom and Canada. Furthermore, Javed, Fatima, Karim and Bashir (2020) [25] also reported the mediating role of creative self efficacy (CSE) between IL and IWB. The study was conducted on 150 employees from textile industries in Pakistan and the data was analyzed using SEM.

Zhu, Xu and Zhang (2020) studied the mediating roles of PsyS and challenges related stress (CRS) between IL and EC. The research was conducted on a sample of 244 IT employees from China. The researchers hypothesized that PsyS would positively mediate the relationship between IL and EC, while CRS would negatively mediate their relationship. SEM analysis supported the same and indicated that while PsyS enhanced their relationship, CRS reduced it.

Emmanuel (2020) [15] studied the mediating role of employee volunteering (EV) and the moderating role of trust in leadership (TL) between the relationship of IL and IWB on a sample of 281 employees using regression analysis. The results showed support for the positive mediating role of EV between IL and IWB. However, TL was not found to be moderating the IL-IWB association.

Mansoor, Farrukh, Wub & Wahab (2020) studied the
mediating role of PsyS between IL and IWB. The researchers collected responses from 217 employees from Pakistan and analyzed the data using PLS-SEM. The results from the same supported the mediation of PsyS between IL and IWB. Thus highlighting the importance of an open and accessible behavior from leaders which leads to a safe working environment and promotes novel creations within the workplace.

Shakil, Memon and Ting (2021)\(^{[42]}\) analyzed the role of Job autonomy (JA) in mediating the relationship between IL and IWB. Responses from a sample of 226 employees from private healthcare institutions in Bangladesh were analyzed using PLS-SEM. The results depicted a positive association among variables with JA mediating the relationship between IL and IWB.

**Employee wellbeing (PsyS, EW, JS, PE, CEC, POS)**

Choi, Tran & Kang (2016)\(^{[10]}\) explored the effect of IL on two variables important for organizational performance viz, employee wellbeing (EW) and IWB. The researchers aimed to study the mediating role of PJF between these relationships. The study was conducted on 207 employees from Vietnam, and the results from the SEM indicated a significant positive relationship among variables. PJF was also found to mediate the relationship between IL and EW as well as IL and IWB. This research thus highlighted the crucial role that managers' perception of their subordinate’s job fit plays in encouraging and promoting employee wellbeing and innovative work behaviour.

Based on SET, Qi, Liu, Wei & Hu (2019)\(^{[36]}\) tested the mediating role of perceived organizational support (POS) between IL and IWB on 226 employees. The results from the mediation analysis supported a positive role of POS between the association of IL and IWB. These findings indicated that inclusivity within an organization leads to an employee's perception of a leader’s support, which plays a crucial role in fostering innovative behaviour.

Wang and Shi (2020)\(^{[53]}\) explored the effects on 303 employees' pro-social rule breaking (PSRB) due to IL along with the presence of PsyS and leadership identification (LID) as mediators. Although they studied the two path models of IL and PSRB however there seemed to be no difference in the results, that showed a positive significance. They also highlighted the role of LMX as a moderator in the abovementioned relationship. LMX and social information processing theory (SIP).

Ahmed, Zhao and Faraz (2020)\(^{[56]}\) studied the role of IL on psychological distress (PD) during the covid-19 outbreak in Wuhan by collecting data from 497 Chinese nurses. They also analyzed the mediating role of employee work engagement (EWE) and moderating role of employee self-sacrifice (ESS) between the relationship of IL and PD. The results from partial least square (PLS) SEM indicated that IL is negatively associated with PD and their relationship is mediated by EWE. Furthermore, ESS moderates this relationship such that a higher level of ESS increases the negative effect of IL on PD while a lower level of ESS decreases the negative effect of IL on PD. To study the mediating role of PsyS between IL and PD, Zhao, Ahmed and Faraz (2020)\(^{[56]}\) conducted another research on a sample of 451 nurses from Wuhan. Analyzing the data using PLS-SEM, the researchers reported that IL reduced PD and this relationship is mediated by PsyS.

Zeng, Zhao and Zhao (2020)\(^{[54]}\) conducted research to study the association of IL and employee taking charge behaviour (TC) by studying a sample of 205 employees from China. Additionally, the role of two mediators viz; PsyS and thriving at work (TW) was studied between their relationship, creating a chain mediation model. The data was analyzed using Hayes process macro, using SPSS 19. The results from the same indicated that both PsyS and TW mediate the relationship between IL and TC individually as well as collectively.

**Communication based (LMX, EVB, SU, ER, WV)**

Yin (2013)\(^{[53]}\) studied a group of 158 employees in Hong Kong to assess the relationship between IL and EVB with PsyS and LMX as mediating variables. Using correlation and regression analysis he concluded IL to be positively associated with EVB. This relationship was partially mediated by the aforementioned variables. Unlike other researchers Yin (2013)\(^{[58]}\) has imbibed the LMX theory by considering it as a mediating variable in the research. Similarly, a quantitative study on 174 employees was conducted by Li and Hang (2017) to test the mediating role of LMX on IL and EV. Three subdimensions of IL viz, openness, availability and accessibility were specifically highlighted and their relationship with EV was also tested. Multiple linear regression was used to direct and indirect relationships between variables. The results from the same showed the relationship between IL’s subdimensions and EV while supporting the mediating effect of LMX between IL and EV.

To test the mediating role of PsyS between IL and relevant voice behaviour variables, Lee and Danhiten (2021) conducted research on 526 nurses from South Korea. Speaking up, error reporting and withholding voice were the three dependent variables pertaining to voice behaviour. Data was analyzed using process macro and the results showed a partially mediating role of PsyS between the relationship of IL and the three outcomes. While, PsyS was positively related to speaking up and error reporting, it was negatively associated with withholding voice.

**Organizational Commitment (AOC, EWE)**

Ilahi (2016)\(^{[20]}\) conducted a study on 373 employees from Netherlands and Indonesia to test the moderating role of culture and the mediating role of authenticity between IL and employee work engagement (EWE) as well as burnout (B). Hayes Process macro was used for the analysis, and the results showed that authenticity played a positive mediating role between IL and EWE. However, the negative mediation of authenticity between IL and B was not found to be significant. Furthermore, there was no support for the moderating role of culture between the variables. Jalil (2017)\(^{[21]}\) reported the mediating effects of a person's job fit as well as employee work engagement between inclusive leadership and project success. The research was conducted on 216 employees from Pakistan, and the results from the structural equation modeling confirmed the mediating role of PJF and EWE. The basis of this work was dependent on LMX theory for imparting greater understanding and objectivity to the relationships. Malik, Suleman, Ali & Arshad (2017)\(^{[100]}\) recorded responses of 170 employees from International Non-governmental Organisations in Pakistan to conclude positive response of IL on EWE. Their work is in consonance with the LMX theory. The relationship between inclusive leadership and job
satisfaction is mediated by work engagement. Ehrencron (2018) also reported a partial mediation effect of EWE between IL and Job satisfaction (JS). The researcher conducted this study on 624 Dutch employees, and the regression analysis results indicated a significant positive relationship among variables while confirming the partial mediation of EWE between IL and JS. Rodriguez (2018) [39] examined 221 working adults to assess the relationship of IL and Employee engagement (EWE) in the presence of psychological diversity climate (PDC) as the moderating variable. His findings support IL to be a key driver of EE while PDC was not found to be a crucial factor influencing them, indicating it to be insignificant. The SET provides the theoretical justification to the relationship. Nguyen, Le, Trinh, & Do (2019) [34] studied the direct impact of IL on IWB, EWE and PJF respectively by studying a sample of 387 employees working at designing and construction companies. The data was analyzed using SEM and the results indicated a positive association of IL with all the three dependent variables, hence highlighting the crucial role played by a leadership style which is open, accessible and authentic in fostering employee well being, innovation as well as job certainty. Bannay, Hadi and Amanah (2020) [10] conducted a study to test the mediating role of EWE on a sample of 150 employees. They studied its role between the relationship of IL and IWB. SEM results reported a significant positive effect between variables, with EWE mediating the relationship between IL and IWB. Cenki, Bircan & Zimmerman (2020) [8] investigated the mediating role of procedural justice (PJ) between IL and EWE. The research was conducted on 201 IT employees from Turkey. Data analysis using SEM showed a significant positive relationship among variables and confirmed the mediating role of PJ.

**Performance Based (EP, PS, TP)**

Jin and Lee in 2017 conducted an empirical research on a large number of respondents, totalling to 4,15,696 federal government employees in the US to examine the extent of relationship between IL and employee performance (EP). Hierarchical regression was used in the research that concluded that diversity policy (DP) and leadership both had a positive impact on EP although diversity failed at providing greater benefits to the minority employees vis-a-vis nonminority employees. Qi and Liu (2017) [35] employed two different questionnaires to evaluate 329 employees from 105 teams in China. Their hypotheses were duly supported indicating a significant positive relationship between IL and team performance (TP) and mediated by caring ethical climate at the team level and IL and employee voice at the individual level.

Khan et.al (2020) collected time lagged data of 328 employees in the information technology sector. Data was analysed applying Structural Equation Modelling (SEM) using AMOS 26. The findings confirmed the mediating role of psychological empowerment (PE) and psychological safety (PsyS) in IL impacting positively project success (PS). The mediating role of self efficacy (SE) between IL and PS was tested by Rehman (2020) [38] on 203 employees from Pakistan. SPSS analysis for mediation showed a partially mediating role of SE between the aforementioned relationship. Consistent with the SET, the results from this research show that inclusive behaviour by the leader impacts the employee’s belief in his/her ability to work which in turn improves project success.

**Other variable (D, M, KS, OCB, V, LE, PrD, OID, AV)**

Schoonus (2018) [41] studied the mediating effect of knowledge sharing (KS) and moderating effect of mindfulness (M) on the relationship between IL and IWB. Regression analysis was conducted on a sample of 292 employees. The results indicated that while knowledge sharing had a mediating effect on the aforementioned relationship, no moderating effect of mindfulness was found. The positive relationship between IL and change oriented organisational citizenship behaviour (OCB) was observed by Younas, Wang, Javed and Garba Konte (2020) [53] using SPSS and AMOS where psychological safety played the role of mediation. The data was collected from 296 supervisor-subordinate dyads involving 78 working teams in small and medium-sized enterprises (SMEs) in Pakistan.

Qurrahtulain, Bashir, Hussain, Ahmed and Nisar (2020) [25] conducted a research to study the mediating role of vigor (V) between IL and adaptive performance (AP), as well as moderating role of internal locus of control (ILC) between IL and V. Data from 288 employees working in textile firms in Pakistan was collected and analyzed using AMOS-24. The results from this study confirmed the aforementioned hypothesized relationship among variables.

**Mediated moderation models**

Ye, Wang and Li (2018) developed a mediated moderation model and collected data from 206 employees from China to study the mediating role of PsyS, and the moderating role of power distance (PrD) between IL and learning from errors (LE). Data analyses results using process macro indicated that PsyS played a significant role in mediating the relationship between IL and LE. This indirect relationship was further moderated by PrD. Another mediated moderation model was developed and studied by Wang, Wang, Zhou, Li and Wang (2020) to study the mediating role of OAC and moderating role of traditionality (T) between IL and follower taking charge behavior (FTC). The data of 246 participants was collected from Shanghai, Shenzhen and Nanjing, and was analyzed using hierarchical regression. The results from the same supported the hypothesized mediated moderation model, highlighting the importance of an open and authentic working environment in improving follower’s taking charge. Elsaid (2020) also studied a mediated moderation model by testing the mediating role of organizational identification (OID) and moderating role of person-supervisor fit (PSF) between IL and job embeddedness (JE). The data was collected from 364 hotel employees in Egypt, and analyzed using process macro. The results supported the hypothesized model by indicating a positive relationship among variables. Thus highlighting the critical role of leadership in hotel management to foster job embeddedness. Jiang, Ding, Wang & Li (2020) [53] concluded that LMX was the mediating element between IL and EV. They also created a mediated moderation model by studying the moderating role of achievement value (AV) between the indirect relationship. A total of 814 employees from China were used as a sample for this research and the results supported the presence of the aforementioned mediated moderation model between IL and EV.
The following table highlights the nature of the variables as dependent, mediating and moderating along with the level of significance in their relationship with IL.

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Zhao, Ahmed & Faraz (2020) [56]

**Employee Creativity (EC)**

- Psychological Safety (PsyS)
- Thriving at Work (TW)
- IL-PsyS-TW-TC (Supported)

Zhu, Xu & Zhang (2020)

- Psychological Safety (PsyS)
- Employee Creativity (EC)
- Challenges Related Stress (CRS)
- IL-PsyS-EC (Supported)

Lee & Dahinten (2021) [26]

- Psychological Safety (PsyS)
- Speaking up (SU)
- IL-PsyS-SU (Partially Supported)

Withholding voice (WV)

- Error reporting (ER)
- IL-PsyS-ER (Partially Supported)

- Innovative Work Behaviour (IWB)
- Job Autonomy (JA)
- IL-JA-IWB (Supported)

Shakil, Memon & Ting (2021) [42]

- Psychological Safety (PsyS)
- Speaking up (SU)
- IL-PsyS-SU (Partially Supported)

Error reporting (ER)

- Withholding voice (WV)
- IL-PsyS-WV (Partially Supported)

* In all these relationships ‘Inclusive leadership (IL)’ constitutes the independent variable

**Employee work engagement (EWE), employee creativity (EC), innovative work behaviour (IWB), psychological safety (PsyS), person job fit (PJF), leader member exchange (LMX), employee voice behaviour (EVB), affective organizational commitment (AOC), project success (PS), job satisfaction (JS), psychological empowerment (PE), employee wellbeing (EW), psychological distress (PD), perceived organizational support (POS), employee performance (EP), caring ethical climate (CEC), procedural justice (PJ), job embeddedness (JE), organizational identification (OID), employee volunteering (EV), creative self efficacy (CSE), knowledge sharing (KS), learning from errors (LE), authenticity (A), burnout (B), achievement value (AV), vigor (V), adaptive performance (AP), self efficacy (SE), pro social rule breaking (PSRB), leadership identification (LI), follower taking charge (FTC), taking charge behaviour (TCB), throwing at work (TW), change oriented organizational citizenship behaviour (COCB), challenges related stress (CRS), speaking up (SU), error reporting (ER), withholding voice (WV), job autonomy (JA).

**Moderators:** Mindfulness (M), psychological diversity (PD), power distance (PrD), employee self sacrifice (ESS), person- supervisor fit (PSF), trust in leadership (TL), achievement value (AV), internal locus of control (ILC), leader member exchange (LMX), traditionality (T). Figure 5.

Figure 1. reflects some of the mediating variables and dependent variables that were found to be most prominent in the majority of studies. The bolder lines indicate higher frequency of the established relationships. Hence, this figure
summarizes the most relevant and highly observed relationships between IL and dependent variables (EV, EC, EWE, JWB, EW and PS), in the presence of mediating variables (PsyS, EC, AOC, LMX, PJF and EWE). Although, the presence of other mediating and dependent variables mentioned in Table 1. were found to be significant in their researches, their presence in the entire sample was relatively less in number and therefore did not warrant presence in this figure 1.

Socio-Psychological Theories - An Overview

In this section, the papers have been demarcated with respect to relevant socio-psychological theories that have been used as a foundation for research done on IL. Table 1. provides a list of all the theories covered in the 40 empirical papers.

<table>
<thead>
<tr>
<th>Name of theories</th>
<th>Author name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relational Leadership Theory (RLT), (1957)</td>
<td>Carmeli (2010) [38]; Jiang, Ding, Wang &amp; Li (2020) [39].</td>
</tr>
<tr>
<td>Causal Attribution Theory (CAT)</td>
<td>Younas, Wang, Javed and Garba Konte (2020) [46].</td>
</tr>
<tr>
<td>Role Identity Theory</td>
<td>Yi, Wang &amp; Li (2018) [48].</td>
</tr>
<tr>
<td>Cost Benefits Analysis Theory (CBA)</td>
<td>Yi, Wang &amp; Li (2018) [49].</td>
</tr>
</tbody>
</table>

Given below is a brief description of the socio-psychological theories covered in the above table.

1. Social Exchange theory

SET rests on the principle of give and take in relationships. This theory was developed by George Homans in 1958 wherein he mentions that societies, communities and groups of people performed best as a social system. Successful relationships find balance in the give / take ratio against a fair comparative ratio. Social Scientists have described 4 stages in the development of relationships namely a) Sampling - This is analysing the costs and rewards of forming relationships. b) Bargaining - This is the testing stage where negotiation begins. c) Commitment - This stage constitutes stabilization of costs and rewards. d) Institutionalisation - Here norms of the relationship get firmly established.

2. Leader member exchange theory

Fred Dansereau, George Graen, and William Haga in 1975 founded the LMX theory. This theory regards a dyadic relationship between inclusive leaders and employees wherein relatively 'high confidence, consideration, mutual obligation and maintenance of a long term relationship depends on the level of communication.'(Maslyn & Ulh-Bien, 2001; Sullivan, Bretscheider, & McCausland, 2003). It can be explained in three stages - a) Role taking which is an attempt by the leader to identify the talents and traits of the new employee, b) Role making, wherein the leader pays special attention to stressful situations when the employee assumes new tasks and responsibilities, in doing so the leader categorizes the subordinate into ingroup (trustworthy) or outgroup (untrustworthy) c). Role routinization, in which the leader establishes the routine and habitual ways that the subordinates follow based on role making. Hence, this theory aims to explain the effects of leadership on members, teams, and organizations. Open interactions based on mutual trust and respect often result in value driven relationships between leaders and employees (Zhang, Wang, & Shi, 2012; Yin, 2013) [50].

3. Cognitive evaluation theory (CET)

CET was advanced by Deci and Ryan in 1985. It is a psychological theory that explains the effects of external circumstances on internal motivation. There are two types of motivation viz, intrinsic and extrinsic. CET relies on intrinsic motivation as the tool to empower individual employees so as to fill them with a sense of freedom, competency, purpose and feedback in their work, in turn influencing their innovative work behaviour (Javed, Khan, ~ 20 ~
4. Conservation of resource theory (COR)
COR theory is primarily related to stress and trauma that acts as a motivational trigger and drives human beings to preserve their current resources while pursuing new resources for sustainability. This theory was propounded by Dr. Stevan Hopfoll in 1989 wherein he posited three reasons for psychological stress viz, threat of loss, actual loss and lack of gain of resources.

5. Relational leadership theory (RLT)
RLT emphasizes the relationship of leaders in an organization based on values such as inclusion, empowerment, purposefulness, ethical behaviours and process orientation. It was given in 1957 by Stogdill and Coons. This theory talks about the significance of the leader’s responsibilities towards their subordinates.

6. Self Determination Theory (SDT)
This was theorised by Deci and Ryan in 1985, as a macro theory of motivation and innate psychological need to grow. It focuses on the extent to which self-motivation and self-determination play a role in making right decisions and choices.

7. Causal Attribution Theory (CAT)
Causal attributions are beliefs regarding the causes of events in an individual leading to experiences and impact on psychological health. According to CAT an individual person’s attitude and behavior is subjected to change as a consequence of other people's behavior which causes that particular behavior.

8. Affective Events Theory (AET)
AET was developed by Weiss and Cropanzano (1996) to explain how emotional experiences and current moods fluctuate over time and affect job performance as well as satisfaction.

9. Role Identity Theory
Role identity is defined as the role/character played by people while holding specific social positions in groups. Thus, the theory can be explained as the process by which interactions between a set of individuals leads to creation of shared sense of identification with the group.

10. Cost Benefit Analysis Theory (CBA)
CBA is a structural process which weighs the strengths and weaknesses of different options so as to determine the best option available. It was developed by Jules Dupuit in the 1840s.

11. Organisational Support Theory (OST)
OST was developed by Eisenberger in 1986 to explain the role of an employee’s perception of the organizational support and faith which contributes to his/her wellbeing.

Discussion
The purpose of this paper was to review 40 empirical research papers along with their results to derive consensus about the variables and theories related to IL.

Table 3: Frequency of variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Dependent</th>
<th>Mediator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Creativity (EC)</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Employee Work Engagement (EWE)</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Psychological Safety (PsyS)</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>Leader Member Exchange (LMX)</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Innovative Work Behaviour (IWB)</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Employee Voice Behaviour (EVB)</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Project Success (PS)</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Person job fit (PJF)</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

*AOC, EW and PD were covered in 2 papers each

Relevance and Impact of variables
Table 3. shows PsyS to be the most frequently occurring variable studied in relation to IL. It is referred to as an individual’s perception about the effect of assuming interpersonal risks in their workplace (Edmondson, 1999, 2004; Kahn, 1990) [13]. An emotionally and psychologically secure environment promotes a level of confidence that boosts creativity. From the review it is evident that its mediating role has been covered extensively in the research done in the field of IL. Thus, proving that IL plays a pertinent role in creating a working environment which is largely threat free and perceived as safe by the employees. Furthermore, PsyS operates both as a mediating and dependent variable. This was succeeded by IWB which involves exploring and implementing new work methods requiring greater psychological safety for advancing the innovation processes (Edmondson & Lei, 2014) [13]. It is an integral part of the functioning of an employee within the organization. It majorly helps the organization in maneuvering through the various roadblocks faced, by constantly developing novel solutions. (Scott & Bruce, 1998). A leader’s support, quality relationships and recognition of their employee’s efforts has been reported to play a dominant role in facilitating the same (De Jong & Den Hartog, 2007) [12].

EWE is considered as a key driver for increased individual performance, business productivity and success, enhanced satisfaction and improved managerial effectiveness (Strom, Sears & Kelly, 2014 [44]; Blomme, Kodden, & Beasley Suffolk, 2015) [6]. EWE has been equally studied and found...
to be significant as a mediating and dependent variable. The role of a leader has an integral impact in providing motivational support for the employees and an enriching environment causing greater job satisfaction. Leadership styles could extend from being transformational, authentic or ethical and have varying impacts depending on the preference of the employees (Bakker et al., 2011 [10]; Ghadi et al., 2013) [16]. This area of leadership traits and its impact on organizations needs to be further studied (Hassan & Hassan, 2018) [18].

EC, EV and PS were three variables that featured more as dependent variables in the research done on IL. EC refers to a process of generating new and original ideas, products or procedures that contribute to problem solving and reaching an amicable solution. (Amabile, 1983; Sternberg, 1988; Weisberg, 1988). Creativity is the aspect that transforms possibilities into realities (Tan, 2007) [85]. EV refers to the communication patterns within the organization. EV may be affected largely by the day to day interactions of the leader and how it is being perceived by the employees (Brown et al., 2005 [10]; Detert & Burris, 2007) [11]. Leaders play a major role in removing barriers to encourage employees to open up and voice their ideas (Walumbwa & Sahuinnebreek, 2009). PS refers to the set of critical factors that support completion of the projects and their absence would result in failure.

LMX and PIF exhibited more of a mediating role in the relationship between IL and the dependent variables. The former refers to the two way relationship between the leader and followers which creates a conducive rapport and work environment. The latter can be defined as the level of matching between a person’s skills, technical know-how, job knowledge and experience to the specific requirements of the job (Shin, 2004; Werbel & DeMarie, 2005) [43, 49]. Some of the most commonly studied relationships were IL—PsyS—EC, IL—PsyS—IWB and IL—LMX—EVB. These were highly recurring in the reviewed sample.

Usage of supporting theories

Table 2. mentions a list of socio-psychological theories that have been used as the basis of the research in the papers that have been reviewed. The relevant underlying theories in 13 research papers was found to be SET while it was LMX in case of 9 research papers. In all, these two theories explain 55% of the total papers reviewed, indicating the high level of significance of these theories in explaining the groundwork on which the relationships have been studied. RLT was one of the oldest and belonged to the same time period as SET. It was used in one of the most cited research papers belonging to Carmelli (2010) and repeated in another paper in 2020.

Conclusion

The purpose of this paper was to study the previously conducted work in the field of IL. On reviewing a sample of 40 papers it was observed that PsyS appeared as the major mediating variable while IWB showed up as the most prominent dependent variable. It was observed that the SET and LMX were the two theories that set the tone for the majority of the research. IL being a recent concept and phenomena has grown in presence more so in the last decade. Therefore, the sample size fairly reflects and is representative of the prevailing number of research in the field.

This paper sets a milestone from where further research using different variables, theories and hypotheses can be developed. With times to come future researchers could expand the number and size of the ensuing research. Newer variables emerge due to changing times, making greater relevance to the research work conducted.

Declaration of interest statement

This is to certify that no financial interest or benefit has arisen from the direct application of our research.

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http://doi.org/bw2kd4


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