Examining The Role of Diversity Oriented Leadership on Organizational Resilience: A Mediated Moderation Analysis

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ABSTRACT

The purpose of this study is to investigate the relationship between diversity-oriented leadership on organizational resilience with mediating effect of knowledge sharing and moderating role of information technology and knowledge sharing culture. The study model is tested by the use of a survey methodology. The target population for this research was manufacturing and services industries of Punjab, Pakistan including banking, education, IT, textile and pharma. The results of the study indicated that diversity-oriented leadership has significant and positive effect on organizational resilience. Further, the results indicated that Knowledge sharing has significant mediation effect between diversity-oriented leadership and organizational resilience. Further the findings indicate that knowledge sharing culture significantly moderate the relationship between diversity-oriented leadership and knowledge sharing. Lastly, the findings indicate that information technology significantly moderate between diversity-oriented leadership and knowledge sharing. The contribution of the study is that it provides a nuanced understanding of the complex relationships between diversity-oriented leadership, knowledge sharing culture, and organizational resilience. By identifying the moderating role of knowledge sharing culture, the study offers practical insights for organizations to enhance their resilience by fostering a culture of knowledge sharing.

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Introduction

Diversity-oriented leadership and organizational resilience are two important concepts that have gained increasing attention in the fields of leadership and organizational management.

Diversity-oriented leadership emphasizes the importance of valuing and leveraging diversity within organizations, while organizational resilience refers to an organization's ability to adapt to and recover from adversity and change (Guan et al., 2023). The need for diversity-oriented leadership has become increasingly apparent in today's globalized and interconnected world, where organizations are becoming more diverse in terms of their workforce, customer base, and stakeholders. Diversity-oriented leadership recognizes the value of diversity and seeks to create a culture of inclusion and respect within organizations. It involves recognizing and valuing individual differences, promoting diversity in hiring and promotion practices, and developing the skills to manage and leverage diversity effectively (Kim, 2023).

The relationship between diversity-oriented leadership and organizational resilience has been established in the literature, with studies suggesting that organizations that value diversity and promote inclusion are more likely to be resilient to external shocks and better able to adapt to changing circumstances. However, the mechanism through which diversity-oriented leadership impacts organizational resilience is not well understood (Lee, Tao, et al., 2021). One possible explanation is the mediating role of knowledge sharing. Knowledge sharing refers to the process of exchanging knowledge and information between individuals and teams within an organization. It involves creating a culture of openness and trust that encourages employees to share their expertise and collaborate on projects. Diversity-oriented leadership may impact organizational resilience by promoting knowledge sharing. By valuing diversity and promoting inclusion, leaders can create a culture of trust and respect that encourages employees to share their knowledge and expertise. This, in turn, can increase the organization's collective knowledge and improve its ability to adapt to change and recover from setbacks (Batool et al., 2022).

The importance of diversity-oriented leadership and organizational resilience in promoting the success and sustainability of organizations has been established in the literature. However, the impact of these factors can be influenced by a range of contextual factors, including information technology and knowledge sharing culture (Chaudhary et al., 2023). Information technology (IT) plays an increasingly important role in organizations, facilitating communication, collaboration, and knowledge sharing. A strong IT infrastructure can enhance an organization's ability to adapt to change and recover from setbacks. Similarly, a culture of knowledge sharing can encourage employees to collaborate and share their expertise, increasing the organization's collective knowledge and improving its resilience. The moderating role of IT and knowledge sharing culture between diversity-oriented leadership and organizational resilience has not been extensively explored in the literature. However, it is possible that these factors can enhance or constrain the impact of diversity-oriented leadership on organizational resilience (Yang et al., 2022).

The increasing pace of change and complexity of the business environment have made it critical for organizations to be resilient and adaptable. Despite the growing interest in diversity-oriented leadership and organizational resilience, the mechanisms through which they interact are not well understood. This research aims to investigate the relationship between diversity-oriented

leadership and organizational resilience and explore the mediating and moderating factors that can influence this relationship. Overall, this research aims to contribute to the growing body of literature on diversity-oriented leadership and organizational resilience by exploring the mechanisms through which they interact and identifying ways to enhance organizational resilience in the face of ongoing change and uncertainty.

1.2 Research Objectives

- To investigate the relationship between diversity-oriented leadership on organizational resilience.

- To investigate the mediating role of knowledge sharing between relationship between diversity-oriented leadership and organizational resilience.

- To investigate the moderating role of information technology and knowledge sharing culture between diversity-oriented leadership and organizational resilience.

2.0 Literature Review

A study by Gupta et al. (2022) found that diversity-oriented leadership was positively associated with organizational resilience in the Pakistani banking sector. The authors suggest that leaders who value diversity and promote inclusive practices can enhance organizational resilience by building a culture of innovation and agility. Another study by Yang et al. (2022) found that diversity-oriented leadership was positively associated with organizational resilience in the Chinese service industry. The authors suggest that leaders who value diversity can enhance organizational resilience by promoting a culture of innovation, encouraging knowledge sharing, and building a resilient organizational culture. A study by Vigh (2021) found that diversity-oriented leadership was positively associated with organizational resilience in the Korean healthcare sector. The authors suggest that leaders who value diversity and promote inclusive practices can enhance organizational resilience by building a culture of trust, promoting communication and collaboration, and fostering a sense of shared purpose.

Thelen et al. (2022) examined the relationship between diversity-oriented leadership and organizational resilience in the context of cross-functional collaboration. The study found that knowledge sharing mediated the relationship between diversity-oriented leadership and organizational resilience, suggesting that leaders who value diversity and promote inclusive practices are more likely to encourage knowledge sharing, which in turn can enhance organizational resilience. Another study by Lee, Tao, et al. (2021) explored the relationship between diversity-oriented leadership, knowledge sharing, and organizational resilience in the context of the COVID-19 pandemic. The study found that knowledge sharing partially mediated the relationship between diversity-oriented leadership and organizational resilience, suggesting

that leaders who value diversity and promote inclusive practices are more likely to create a culture that encourages knowledge sharing, which can enhance organizational resilience in the face of uncertainty and disruption.

A study by Almohtaseb et al. (2021) explored the relationship between IT capability and organizational resilience, and found that IT capability was positively related to organizational resilience. The study also highlighted the role of leadership in enhancing IT capability and building organizational resilience. Another study by Le (2022) investigated the relationship between IT innovation and organizational resilience in the context of a natural disaster. The study found that IT innovation had a positive effect on organizational resilience, and that leadership played an important role in promoting IT innovation. In the context of diversity-oriented leadership, a study by Lee, Tao, et al. (2021) found that inclusive leadership played a significant role in promoting organizational resilience. The study did not specifically examine the moderating role of IT, but it did highlight the importance of leadership in creating a resilient organizational culture.

A study by Razzaq et al. (2018) investigated the relationship between knowledge sharing culture and organizational resilience. The study found that knowledge sharing culture had a positive effect on organizational resilience, and that the relationship was mediated by knowledge management capability. In the context of diversity-oriented leadership, a study by Ng and colleagues (2019) found that inclusive leadership was positively related to knowledge sharing, and that the relationship was mediated by psychological safety. This suggests that leaders who value diversity and promote inclusive practices can create a safe and supportive environment that encourages knowledge sharing. Another study by Lee, Li, et al. (2021) explored the mediating role of knowledge sharing in the relationship between diversity-oriented leadership and team performance. The study found that knowledge sharing fully mediated the relationship between diversity-oriented leadership and team performance, suggesting that leaders who value diversity and promote inclusive practices are more likely to create a culture that encourages knowledge sharing.

Methodology

In this study, quantitative design and positivist philosophy were used to conduct the research. The sample of the study includes banking, education, information technology, textiles, and pharmaceuticals, which were the focus of this particular piece of research. The presented hypotheses, including those regarding direct and mediated interactions, were put to the test with the use of SPSS 22.0 and Smart PLS SEM. In the course of this investigation, the data was gathered by means of a survey that was carried out with the assistance of a closed-ended questionnaire. This questionnaire was designed to collect not only the respondents' demographic information but also their responses to questions about the study's focal variables. This research used a method called simple random sampling in order to draw conclusions about the whole population in order to minimize the possibility of sample bias and maximize the likelihood of sample representativeness

and accuracy.

The final study sample was diverse in terms of both its size and the sector in which it was employed. Such a diverse sample offers a number of benefits, including the fact that knowledge-intensive organisations are more likely to generate, integrate, and utilize knowledge, which in turn helps to facilitate innovation within the organisation. Due to the dynamic nature of these types of businesses, there is the possibility to investigate the correlation between innovativeness and the overall success of the company. Data was gathered from upper- and medium-level managers as well as senior officers since these individuals have access to vital strategic information and, in general, have greater expertise and are more familiar with the environment. The respondent's anonymity and the confidentiality of their data were both guaranteed to them.

4.0 Results

4.1 Demographic Profile

Table 1: Frequency Analysis

| Variable	Frequency	Percent
Gender		
Male	201	55.1
Female	164	44.9
Age of Respondents		
20-30	172	47.1
31-40	132	36.2
41-50	53	14.5
51-above	8	2.2
Education		
Bachelor Degree	36	9.9
Master	133	36.4
MS	101	27.7
Doctorate	59	16.2
Diploma	36	9.9
Experience		
< 10 years	150	41.1
11 – 15 years	131	35.9
> 16 -25 years	67	18.4

The demographic characteristics of the respondents are shown in Table 4.1. According to the data, 55.1% of the respondents are male. In addition, the table illustrates that the majority of respondents were between the ages of 20 and 30 years old (47.1%) and had a Master's degree as their primary qualification (36.4%). The findings also showed that the vast majority of respondents (41.1% of them) had experience that is less than ten years old.

4.2 Reliability and Validity Analysis

Table 2: Reliability analysis

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Diversity Oriented Leadership	0.727	0.784	0.818	0.544
Information Technology	0.75	0.75	0.812	0.591
Knowledge sharing	0.752	0.777	0.782	0.525
Knowledge sharing culture	0.744	0.755	0.785	0.578
Organizational Resilience	0.775	0.775	0.804	0.507

The reflecting structures have a build dependability of more than 0.70, as can be shown in Table 2. 1994 (Nunnally and Bernstein). In addition, the values of (Rho A) and C-A were found to be more than the permissible limit of.70 as shown in table 2. All of the AVEs that were calculated came out to be more than 5, which indicates a high level of construct reliability and convergence of measurement models.
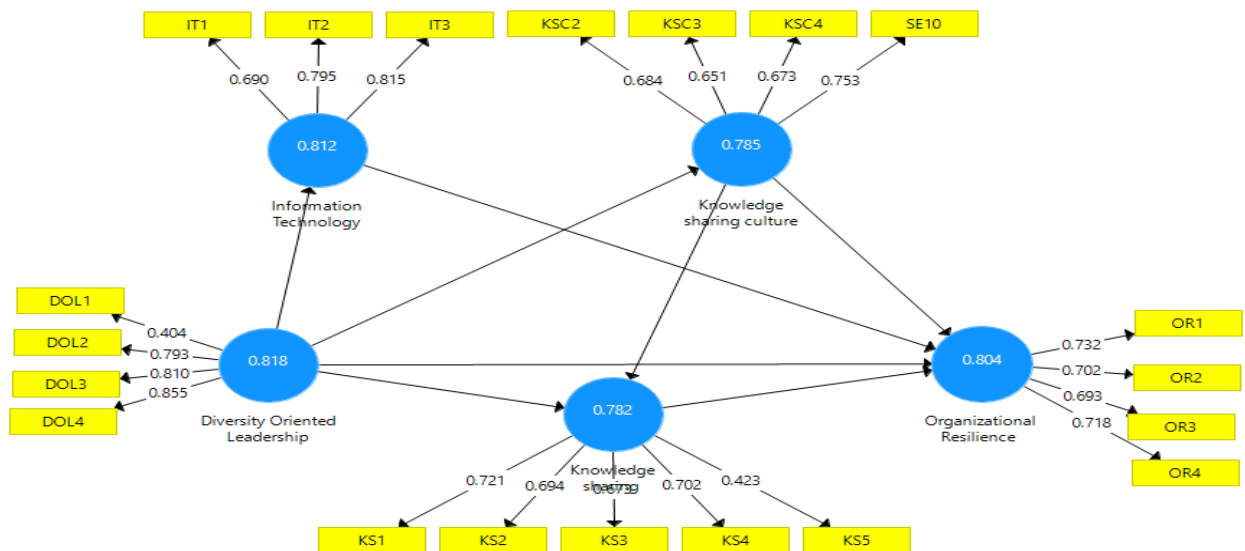

Figure 1: Reliability Analysis

4.3 Structural Model

Researcher evaluated the hypothesized structural relationship between variables. The findings of current research indicated that all the direct relationship between observed variables are significant. Further, the results indicated that knowledge sharing and information technology mediate the relationship between observed variables. Similarly, the results indicated that knowledge sharing culture has moderating role between observed variables.

Table 4: Testing of Hypothesis

Relationship	Beta -Value	T-Value	Decision
Direct Effect			
Diversity Oriented Leadership -> Information Technology	0.336	8.061***	Supported
Diversity Oriented Leadership -> Knowledge sharing	0.195	4.437***	Supported
Diversity Oriented Leadership -> Knowledge sharing culture	0.213	4.658***	Supported
Diversity Oriented Leadership -> Organizational Resilience	0.024	3.047***	Supported
Information Technology -> Organizational Resilience	0.017	2.615***	Supported
Knowledge sharing -> Organizational Resilience	1.031	143.098***	Supported
Knowledge sharing culture -> Knowledge sharing	0.383	9.058***	Supported
Knowledge sharing culture -> Organizational Resilience	0.1	9.47***	Supported
Mediation Analysis			
Diversity Oriented Leadership -> Knowledge sharing culture -> Knowledge sharing	0.082	3.607***	Supported
Diversity Oriented Leadership -> Information Technology -> Organizational Resilience	0.006	2.444***	Supported
Diversity Oriented Leadership -> Knowledge sharing -> Organizational Resilience	0.201	4.401***	Supported

Knowledge sharing culture -> Knowledge sharing -> Organizational Resilience	0.395	8.611***	Supported
Diversity Oriented Leadership -> Knowledge sharing culture -> Knowledge sharing -> Organizational Resilience	0.084	3.533***	Supported
Diversity Oriented Leadership -> Knowledge sharing culture -> Organizational Resilience	0.021	3.747***	Supported
Moderation Analysis			Supported
DOL>IT -> Organizational Resilience	0.012	2.595***	Supported
DOL>KSC -> Organizational Resilience	0.014	2.939***	Supported
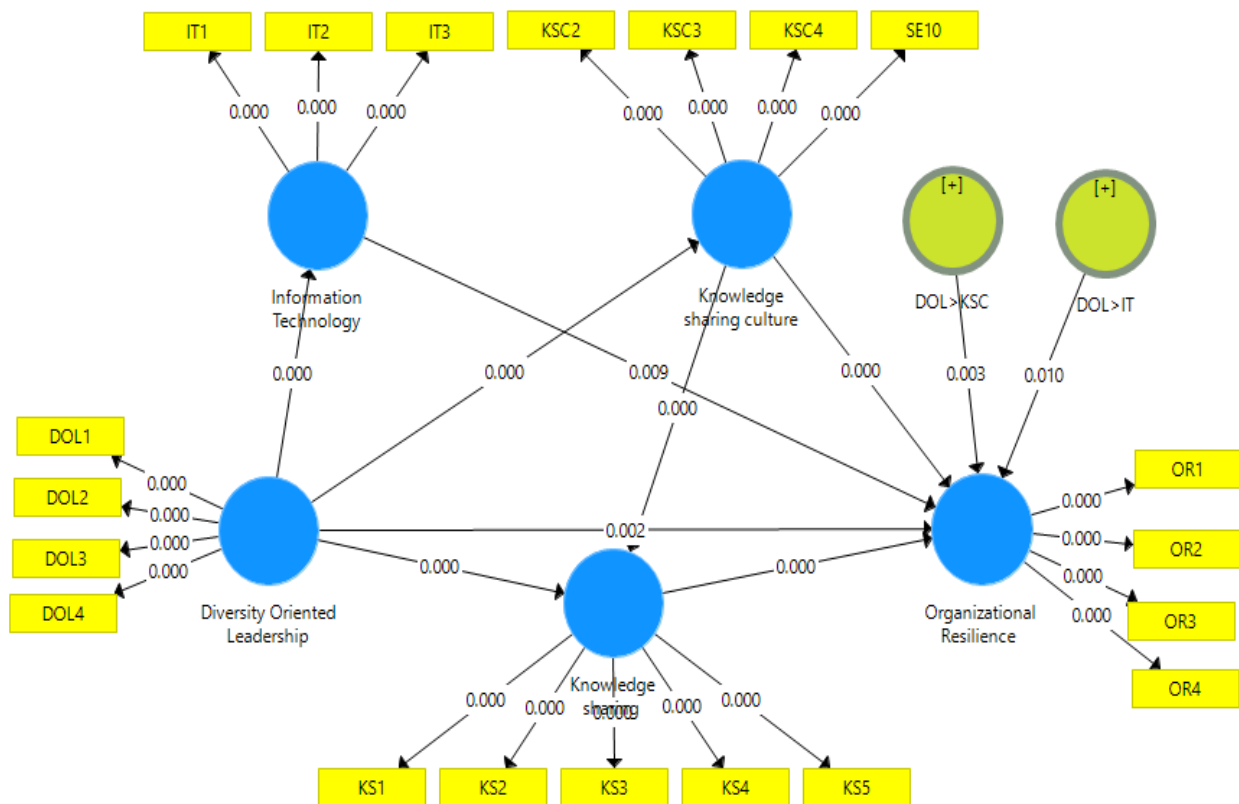
Figure 2: Structural Equational Model Results

Discussion and Conclusion

The results of the study indicated that diversity-oriented leadership has significant and positive effect on organizational resilience. The findings are consistent with the findings of

previous research (Almohtaseb et al., 2021; Batool et al., 2022; Chaudhary et al., 2023). Further, the results indicated that Knowledge sharing has significant mediation effect between diversity-oriented leadership and organizational resilience. The findings are consistent with the findings of previous research (Guan et al., 2023; Gupta et al., 2022; Kim, 2023). Further the findings indicate that knowledge sharing culture significantly moderate the relationship between diversity-oriented leadership and knowledge sharing. The findings are consistent with the findings of previous research (Le, 2022; Lee, Li, et al., 2021; Lee, Tao, et al., 2021). Lastly, the findings indicate that information technology significantly moderate between diversity-oriented leadership and knowledge sharing. The findings are consistent with the findings of previous research (Lee, Tao, et al., 2021; Razzaq et al., 2018).

The implication of knowledge sharing having a significant mediation effect between diversity-oriented leadership and organizational resilience is that leaders who promote diversity-oriented practices can create a culture of knowledge sharing that enhances organizational resilience. This means that organizations can leverage diversity as a source of resilience by fostering a climate that encourages knowledge sharing across different perspectives, experiences, and skills. Furthermore, the findings suggest that knowledge sharing is not only important for enhancing organizational resilience but can also serve as a mechanism through which diversity-oriented leadership enhances organizational resilience. Therefore, leaders who prioritize diversity and inclusion should also focus on creating a culture of knowledge sharing to maximize the potential benefits of diversity in promoting organizational resilience. Additionally, the study highlights the importance of knowledge management capability in enhancing organizational resilience. Organizations that invest in knowledge management systems and practices can facilitate knowledge sharing and leverage the diverse knowledge and skills of their employees to enhance resilience.

There are several limitations to consider regarding the mediation effect of knowledge sharing between diversity-oriented leadership and organizational resilience. First, the study's cross-sectional design makes it difficult to establish causality. While the study found a significant mediation effect, it cannot determine whether diversity-oriented leadership causes knowledge sharing, which in turn causes organizational resilience, or if there are other variables at play. Second, the study only focuses on one mediator, knowledge sharing, while other variables may also mediate the relationship between diversity-oriented leadership and organizational resilience. Finally, the study was conducted in a specific context or industry, which may limit the generalizability of the findings to other settings or industries.

Muhammad Akash Shafique: Problem Identification and Model Devolpement
Muhammad Arslan Shafique: Literature search, Methodology
Muhammad Hasnain Ali: Drafting and data analysis, proofreading and editing

Conflict of Interests/Disclosures

The authors declared no potential conflicts of interest w.r.t this article's research, authorship, and/or publication.

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