Exploring organisational diversity climate with associated antecedents and employee outcomes

Orientation: Organisations are consistently changing and diversifying; therefore, researchers and practitioners are viewing diversity as an essential part of organisational behaviour literature and practice.

Research purpose: The purpose of this study was to investigate a simple mediation model, with the diversity climate as the proposed mediator, transformational leadership as the model antecedent and organisational commitment as the outcome.

Motivation for the study: The South African diversity climate research is limited, including mediation investigations. Increased organisational diversification requires constant and relevant information with regard to diversity management.

Research approach/design and method: A quantitative approach using a cross-sectional design collected 230 responses from a convenience sample. Transformational leadership was considered through six key behaviours associated with transformational leadership. Organisational commitment was considered as per the Psycones questionnaire and the organisational diversity climate was determined using a single-dimension diversity climate instrument. Statistical analysis included descriptive statistics, correlation analysis and a simple mediation model.

Main findings: Correlation results revealed that both transformational leadership and a diversity climate demonstrated practical effects with organisational commitment. Results from a standardised regression coefficient confirmed that transformational leadership predicts the diversity climate significantly. Both transformational leadership and diversity climate predicted commitment. The simple mediation model revealed that the diversity climate can be considered a mediator in the relationship between transformational leadership and employee commitment.

Practical/managerial implications: Organisations would benefit from leadership assessments for current and future employees, especially organisations that would like to prioritise a constructive diversity climate and employee commitment.

Contribution/value-add: Contributions are made towards limited diversity climate investigations by providing empirical evidence of the mediating role of a diversity climate.

Keywords: Transformational leadership; diversity climate; organisational commitment; South Africa; mediation.

Introduction
Diversity climate is a developing area of research that concentrates on how employees form perceptions regarding policies and practices related to diversity and inclusivity (Ziegert & Hanges, 2005). Our organisational landscapes are consistently changing because of globalisation and diversification. It is therefore not surprising that researchers are viewing diversity as an essential new part of organisational behaviour literature. The noticeable attention to diversity has elicited a general consensus among organisations that the effective management of diversity is compulsory for organisations striving towards optimally utilising their available talent from a diverse workforce (Jackson & Joshi, 2011). Researchers have also spent a considerable amount of time on finding means and ways to fully utilise the potential advantages of diversity (McKay & Avery, 2015). This is not unexpected because of the well-documented advantages of diverse organisations over homogeneous organisations (Cox & Blake, 1991), such as improved creativity and problem solving (Richard, Roh, & Pieper, 2013), an improved organisational image (Cox, 1993) and a noticeable increase in organisational performance (Richard, Barriet, Dwyer, & Chadwick, 2004). While the constructive benefits of a diverse organisation have intrigued
researchers, the negative associations and counterproductive effects, in some cases, have also not gone unnoticed (Joshi & Roh, 2009; Van Dijk, Van Engen, & Van Kippenberg, 2012). Researchers have found that increased diversity from an organisational perspective can also be associated with complications, such as dissatisfaction and conflict (Jayne & Dipboye, 2004), and subtle discrimination (Ogbonna & Harris, 2006).

What could then be considered as a solution for organisations to realise the full potential of diversity? The answer could perhaps be found in leadership. Leadership has been described as a fundamental contributor towards enhancing diversity outcomes (Gotsis & Grimani, 2016). Leadership has also been proven as a substantial predictor of the emerged benefits related to diversity (Wieland, 2004). From a South African perspective, researchers have also called on organisations to improve leadership development and to specifically include diversity, especially because of South Africa’s unique history (Denton & Vloeberghs, 2003). Therefore, because of our increased workforce diversification and globalisation, our current thinking pertaining to leadership in these diverse workforces will also need to change (Chin, Desormeaux, & Sawyer, 2016).

Our interest for the present study was neither in the well-researched direct relationship between leadership and employee outcomes, nor the confirmed direct relationship between a constructive diversity climate and employee outcomes. We were more intrigued by the indirect effect of a conducive diversified environment on the leadership style and employee outcome relationship. Unfortunately, the mediating role of a diversity climate has not received much research attention (McKay & Avery, 2015).

The primary aim of this study was to investigate a proposed simple mediation model in which the diversity climate mediates the relationship between transformational leadership and organisational commitment. The next section will be dedicated towards formulating a clear understanding on the proposed model antecedent, the proposed model outcome – employee commitment – and the mediating characteristics of a diversity climate. The literature review also investigates any prior conceptualised and confirmed relationships between these variables. Figure 1 illustrates the proposed model of this study.

**Literature review**

**Proposed model antecedent – Transformational leadership**

It has been well documented that transformational leaders are the representatives of change, energising and directing employees towards ‘a new set of corporate values and behaviours’ (McShane & Von Glinow, 2015, p. 371). We are of the opinion that the suggested new set of corporate values and behaviours can also assume the form of inclusivity and an appreciation of diversity. Colquitt, Lepine and Wesson (2011) further described transformational leadership as the ability to inspire followers to commit towards a shared vision that provides meaning to any employee’s daily work. Odemure and Ifeanyi (2013) maintained that a transformational leader pays attention to the progressive needs of the individual; they change the consciousness of their followers and support them in looking at problems from a new perspective. Transformational leaders further serve as role models, supporting their followers towards developing their own potential and viewing problems from new perspectives (Colquitt et al., 2011).

Transformational leadership is regarded as multidimensional and comprising six key behaviours (Podsakoff, Mackenzie, Moorman, & Fetter, 1990). These key behaviours include identifying and articulating a clear vision, being considered an appropriate role model, nurturing the acceptance of team or organisational goals, sustaining high-performing expectations, providing individual support and intellectual stimulation (Podsakoff et al., 1990). According to Sashkin (2004), creating and communicating a vision and creating empowering opportunities are the most common characteristics of leadership behaviour shared by the different usages of transformational leadership. A typical transformational leader is an individual who is able to extend the interest of followers through a process of common stimulation and appeals to followers and is also able to express and communicate an attractive vision and supports followers to go beyond their self-interests in attaining this vision (Bass & Riggio, 2006).

**Proposed mediation model: Diversity climate**

The relatively new field of diversity climate investigates the shared perceptions of the policies and practices directing the extent to which an organisation is committed towards eliminating discrimination and valuing diversity (Pugh, Dietz, Brief, & Wiley, 2008). Diversity climate is also considered as a typical climate that demonstrates openness towards and appreciation of individual differences (Hofhuis, Van der Rijt, & Vlug, 2016). According to Luijters, Zee and Otten (2008), there are two components that constitute the diversity climate of an organisation: openness and appreciation of diversity. Openness of diversity refers to a situation where employees can choose their own work style, while simultaneously maintaining cultural habits. Appreciation of diversity is considered as the value employees and decision-makers place on diversity (Luijters et al., 2008). Therefore, the study considered a diversity climate as shared employee perspectives on organisational

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**FIGURE 1:** Proposed model, transformational leadership, diversity climate and organisational commitment.
commitment towards diversity and the creation of an inclusive employee environment free of preconceptions.

The direct consequences associated with a constructive diversity climate have been confirmed in several studies. These advantages include improved employee and organisational performance (McKay & Avery, 2015). While the direct effects have been well researched, investigation regarding the mediating role of a organisational diversity climate is limited (McKay & Avery, 2015). We could also not find a similar South African study that has investigated diversity climate as mediating transformational leadership. However, from previous research conducted by Volpone, Avery and McKay (2012), Chrobot-Mason and Asomovich (2013) and Taylor (2015), we were able to find evidence that an organisational diversity climate demonstrates promising mediating characteristics. Volpone et al. (2012) demonstrated that diversity climate mediates the relationship between employees’ appraisal reactions and employee engagement. Similarly, Chrobot-Mason and Asomovich (2013) found results to confirm the mediating effects of a diversity climate on turnover intentions through organisational identification, climate for innovation, empowerment and identity freedom. In addition, Taylor (2015) was able to confirm that transformational leadership had a significant indirect effect on creative performance through diversity climate.

Employee outcome: Commitment

An employee is considered a candidate for commitment when demonstrating emotional attachment to, identification with and involvement in a particular organisation (McShane & Von Glinow, 2015). Colquitt et al. (2011) stated that organisational commitment is an employee’s desire to remain a member of the organisation; the particular employee would usually portray a strong feeling towards a specific aspect of the organisation. Organisational commitment has also been considered as an employee’s acceptance of organisational goals and his or her willingness to exert effort on behalf of the organisation (Miller & Lee, 2001). Organisational commitment has also been at the centre of several human resource studies, especially because of the associated advantages and contribution towards organisational performance (Mendes & Jesus, 2018).

Organisational commitment can assume three distinctive forms: continuance, normative or affective commitment (Meyer & Allen, 1991). Among all the forms of organisational commitment, affective commitment has seen the most interest among researchers (Albrecht, Bakker, Gruman, Macey, & Saks, 2015). Employees who demonstrate high levels of affective organisational commitment will stay with the organisation because of a personal intention not to part with the organisation. Employees who are affectively committed towards an organisation demonstrate a sense of belonging and identification that increases their involvement in organisational activities (Meyer & Allen, 1991). Continuance commitment is regarded as a situation where an employee stays with the current employer because of high costs related to changing employment. Employees might also not have any alternative or similar choices of employment and would then remain with their current employer (Meyer & Allen, 1991). Normative commitment refers to employees demonstrating internal loyalty towards the organisation. They also believe that their departure from the organisation would be disastrous for both the organisation and fellow employees (Meyer & Allen, 1991). For the purpose of this study, we considered commitment as a single variable where an employee demonstrates attachment and strong positive feeling towards the current employment.

Commitment, diversity climate and transformational leadership

It is expected that organisational diversity would further increase in future (Fullerton & Toosi, 2001); therefore, the importance of transformational leadership as a means of unlocking potential would also increase. However, it is still important for organisations with the future in mind to ‘recognize transformational leadership as a strategy that can be specifically tailored to the challenge of managing diversity’ (Kearney & Gebert, 2009, p. 87).

With limited research on diversity climates themselves, it is not surprising that investigations into a relationship between the organisational diversity climate and transformational leadership are also limited. However, the matter has seen research interest in that investigations had been focused on the type and nature of the relationship between ‘diversity management interventions’ or ‘diversity practices’ and leadership styles. Research findings suggest that a recorded constructive observation of ‘diversity practices’ is strongly associated with the presence of transformational leadership (Ng & Sears, 2011). The findings by Ng and Sears (2011, p. 49) are particularly relevant to a diversity climate theme, as these ‘diversity practices’ were described as ‘diversity-related practices in the areas of diversity policies, recruitment, training and development, compensation and accountability’, which is no different from confirmed antecedents of an organisational diversity climate). Further research also found that a transformational leadership style is influential in helping cultural minorities’ social integration and creative problem-solving within organisations (Malik & Singh, 2017). In support of Ng and Sears (2011), research by Gotsis and Grimani (2016) also indicated that effective leadership will be associated with an environment that values and supports diversity.

Theoretically, the advantages associated with a diversity climate were some of the earliest findings on the matter (McKay & Avery, 2015). Some of these favourable attitudes and behaviours can therefore be directly associated with reduced employee withdrawal, which includes turnover and absenteeism (McKay & Avery, 2015). Groundbreaking research that placed an emphasis on the significance of a diversity climate was conducted in seminal research by Cox (1994), who specifically found proofs that a diversity climate has effects on staff attendance, turnover, productivity and work quality. From a South African qualitative perspective, research has demonstrated that organisational benefits associated with
Managing diversity, effectively included increased productivity, achieved organisational goals, increased creativity, client-focused service and an interesting work environment, while on an employee (individual) level, advantages included employees’ transferred knowledge, improved communication, increased trust and teamwork, and decreased stereotypes and discrimination (Joubert, 2017).

While literature suggests that the presence of transformational leadership in organisations will also be associated with a constructive organisational diversity climate, it would be imperative to look into how transformational leadership has been associated with our investigated employee outcome, namely, commitment. Transformational leaders assist as ‘role models who help followers develop their own potential’, changing their outlook on traditional problems (Colquitt et al., 2011, p. 496). Consequently, it is not surprising that transformational leadership has not only demonstrated the ability to prevent employees from harbouring propensity-to-leave thoughts, but also to ‘cultivate a collaborative culture’ (Sun & Wang, 2017, p. 1137). It would therefore seem natural for transformational leadership to also contribute towards a general observation of employee commitment (Walumbwa & Lawler, 2003).

General positive consequences associated with organisational commitment include job satisfaction (Chughtai & Zafar, 2006), motivation (Mathieu & Zajac, 1990) and organisational performance in the form of financial results (Abdul Rashid, Sambasivan, & Johari, 2003). Managers who would like to encourage more employee commitment, should carefully direct their attention towards the fairness of the organisation’s diversity climate and organisational procedures (Buttner & Lowe, 2010).

Primary and secondary objectives

Taking into consideration the established direct independent relationships between transformational leadership, the organisational diversity climate and organisational employee outcomes, coupled with the promising mediating characteristics of diversity climates in limited studies, we propose the possibility of the diversity climate mediating the relationship between transformational leadership and organisational commitment. As a result, the main objective of this study was to investigate the mediating role of a diversity climate in the relationship between transformational leadership and employee commitment. The secondary objective was to examine the direct effects between transformational leadership and a diversity climate; transformational leadership and employee commitment; and, finally, a diversity climate and employee commitment.

Research design and method

This study followed a quantitative approach with a cross-sectional design. The cross-sectional design was considered most suitable for this study because the assessment of the relationships between transformational leadership, the diversity climate and employee commitment was measured at a specific point in time, without any planned intervention. Questionnaires were considered the most appropriate method of data collection. A final research proposal was sent for consideration to the ethics committee of the institution and to obtain permission to collect data for the purpose of the study. The study obtained a minimal risk classification.

Permission was obtained from all participating organisations and the surveys were distributed via human resource managers, heads of departments and team leaders. The anonymous nature of the study was thoroughly explained to the participants, indicating clearly that no personal information was required. Adequate time was allowed for participants to complete the questionnaire and completed questionnaires were collected at arranged central points.

Participants, data collection and sample characteristics

A non-probability convenience sample was used to collect data from South African companies situated in Gauteng province. A total of 230 responses were received from 820 distributed questionnaires, resulting in a 28% response rate. Unfortunately, it is presently quite common for researchers to obtain low response rates. Lower frequencies could be a sign of our busy lifestyles (Carley-Baxter et al., 2009). The sample characteristics are presented in Table 1.

| TABLE 1: Sample biographical and demographic characteristics. |
|-----------------------------|----------------|
| Biographical element        | %              |
| Date of birth               |                |
| 1945–1950                   | 2              |
| 1951–1960                   | 4.4            |
| 1961–1970                   | 17.4           |
| 1971–1980                   | 18.4           |
| 1981–1990                   | 38.1           |
| 1990 and onward             | 19.7           |
| Gender                      |                |
| Male                        | 52.9           |
| Female                      | 47.1           |
| Qualifications              |                |
| Matric (Grade 12)           | 17.9           |
| Post-matric qualification (diploma) | 17.5        |
| University degree (BA, BCom, BSc, etc.) | 29.2  |
| Postgraduate degree         | 35.4           |
| Demographic or ethnic group |                |
| White people                | 69.3           |
| Black people                | 24.9           |
| Indian people               | 2.7            |
| Mixed-race people           | 1.9            |
| Other                       | 1.1            |
| Employment status           |                |
| Permanent                   | 82.6           |
| Temporary                   | 17.4           |
| Level of employment         |                |
| Senior management           | 15.3           |
| Middle or line management   | 45.1           |
| General worker              | 39.6           |
| Region where most part of the younger life was spent (birth to 18 years old) | |
| Rural (mainly farming activities, small town, etc.) | 29.2 |
| Urban                       | 70.8           |

BA, Bachelor of Arts; BCom, Bachelor of Commerce; BSc, Bachelor of Science.
Measuring instruments

The measuring instrument comprised a combination of four main sections. The first section focused on obtaining demographic information from the sample group. The remaining three sections collected data on transformational leadership, diversity climate and organisational commitment.

- The demographic section collected information on participants’ date of birth, gender, ethnicity, tenure and an option in which respondents had to indicate where they had spent the majority of their young lives – in an urban or rural area.

- Transformational leadership comprised six key behaviours for transformational leadership as described by Podsakoff et al. (1990), which include identifying and articulating a vision, providing an appropriate model, fostering the acceptance of group goals, high-performance expectations, providing individualised support and intellectual stimulation. Research by Engelen, Gupta, Strenger and Brettel (2015) and Jackson (2017) applied the same six key behaviours when determining transformational leadership. The instrument measuring transformational leadership used a seven-point Likert scale, where 1 = disagree strongly and 7 = agree strongly. A typical item is ‘my manager has a clear understanding of where we are going’. The original research by Podsakoff et al. (1990) reported a Cronbach’s alpha of 0.87 for the combined leadership variable. A South African application of the transformational leadership scale by Podsakoff et al. (1990) reported Cronbach’s alpha scores ranging from 0.75 to 0.94 for the six key behaviours (Jackson, 2017).

- The diversity climate variable was determined through a diversity climate measuring instrument developed by McKay et al. (2007). This instrument comprises nine scale items and captures employees’ perceptions on how an organisation is able to meet their expectations regarding the acceptance of group goals, high-performance expectations, providing individualised support and intellectual stimulation. The diversity climate measuring instrument used a five-point Likert scale, with 1 denoting ‘well below expectations’ and five denoting ‘well above expectations’. A sample item in the measuring instrument by McKay et al. (2007) requested participants to indicate how the organisation met their expectations regarding maintaining a ‘diversity-friendly work environment’. The original results from McKay et al.’s (2007) study reported a Cronbach’s alpha score of 0.91 on the reliability of the scale, while a South African application of the measuring instrument in a tertiary environment reported a Cronbach’s alpha score of 0.89 (McCallaghan & Heyns, 2016).

- The employee commitment variable was determined using an application of the ‘organisational commitment’ construct in the psychological contracts across employment situations (Psycones) questionnaire (Kerstin, 2002). The organisational commitment variable within the Psycones questionnaire was adapted to a five-item scale from the organisational commitment scale developed by Cook and Wall (1980). The organisational commitment questionnaire as redeveloped by Kerstin (2002) specifically assesses affective commitment. The organisational commitment scale comprises five scale items and uses the same five-point Likert scale. A typical item to determine organisational commitment is ‘even if this organisation or client was not doing too well, I would be reluctant to change to another employer or client’. A South African application of the measuring instrument reported a Cronbach’s alpha score of 0.72 (Walters, 2008).

Statistical analysis

Primary data were captured, cleaned and processed by the institution’s statistical unit. Data were processed using the Statistical Packages for Social Sciences (SPSS) version 23 (IBM Corp., 2015). The statistical analysis included descriptive statistics, reliability and validity, Pearson’s correlation statistics and simple mediation models.

The statistical analysis of the factor analysis included the Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy, with principal component analysis as the extraction method. Field (2009) advises that the KMO measure of sampling adequacy can be used to determine whether a sample is suitable for factor analysis. A value close to 1 indicates that patterns of correlations are relatively compact and a factor analysis should therefore produce individual, reliable factors (Field, 2009). The assumption that only one factor was present for each factor was based on the amount of variance explained and a strong decrease in the eigenvalue after the first factor. Eigenvalues larger than 1.0 were used as a criterion for factor selection, as proposed by Field (2009).

Descriptive statistics determined central propensities and whether the data were normally distributed. Statistics for skewness and kurtosis were used to determine normality. The criteria used to determine whether data could be considered a normal distribution were set at 2.00 for skewness (Finch & West, 1997) and 4.00 for kurtosis (Field, 2009).

Regarding reliability, Cronbach’s alpha values above 0.7 are traditionally regarded as acceptable. However, for scales with fewer than 10 items it is sometimes difficult to obtain a decent Cronbach’s alpha value, and for this reason mean inter-item correlation values can be examined as an additional indication of relationships among items (Field, 2007). Robinson, Shaver and Wrightsman (1991) suggest a practical alternative, which suggests that Cronbach’s alpha as an interpretation of internal consistency can be interpreted as follows: $\alpha > 0.80$ = exemplary, $\alpha > 0.70$ = extensive, $\alpha > 0.60$ = moderate and $\alpha < 0.60$ = minimal. We followed the guideline proposed by Robinson et al. (1991). As a supplementary test for reliability, we calculated inter-item correlations. Internal correlation was considered adequate at $r = 0.10$. 
To determine the relationships between the described variables, we conducted a Pearson’s correlation analysis. Effect sizes were calculated with a confidence level set at 95%; $p < 0.05$ was considered significant. We interpreted the results by using the following criteria: 01 = small effect, 0.3 = medium effect and 0.5 = large effect (Steyn, 1999). A threshold of 0.30 (medium effect) was set for the practical significance of correlation coefficients (Cohen, 1988).

Simple mediation modelling was performed using the PROCESS macro version 3 (Hayes, 2017) which was installed in SPSS. Mediation was established with the indirect effect that was tested using a percentile bootstrap estimation approach with 10 000 samples (Shrout & Bolger, 2002). An indirect effect from the bootstrap analysis was considered significant if the lower level confidence interval (LLCI) and upper level confidence interval (ULCI) excluded zero (Zhao, Lynch, & Chen, 2010). In order to meet the criteria for a complementary mediation as set by Zhao et al. (2010), the mediated and direct effects should both exist and point in the same direction.

**Ethical consideration**

Ethical clearance for the study was obtained from the North-West University Business School (Reference number: EMSPBS09/09/16-01/01).

**Results**

The results of the study are presented as follows: firstly, factor analysis is reported, followed by descriptive and reliability results. Then, results obtained from the correlation analysis are presented, with an interpretation of the type and nature of the relationships between transformational leadership, diversity climate and organisational commitment. Finally, findings from the simple mediation results are reported.

**Factor analysis**

The analysis of the diversity climate (McKay et al., 2007) revealed that the first factor extracted explained 60.6% of the variance, with an eigenvalue of 5.45 (KMO = 0.90). These results are consistent with the results of the study by McCallaghan and Heyns (2016), which was also able to confirm that the mean scores of all variables were within the respective scale’s positive or agree range. This would suggest that a constructive diversity climate, transformational leadership and organisational commitment are present in the sample group.

Cronbach’s alpha scores ranged from 0.62 to 0.96 and inter-item correlation scores ranged from 0.27 to 0.89. Individual consideration (four-scale items) recorded a Cronbach’s alpha score of 0.62, which, according to the guidelines by Robinson et al. (1991), reached the moderate level. The inter-item correlation for individual consideration was recorded at $r = 0.27$. Taking into consideration the guidelines by Pallant (2007) and Robinson et al. (1991), the variables considered in this study were deemed to demonstrate sufficient internal consistency. All skewness and kurtosis results are within the set thresholds (skewness = 2.00, kurtosis = 4.00) and we can confirm that the data were normally distributed.

**Descriptive results and reliability**

Table 2 presents the descriptive results of all variables and factors used in this study. A closer examination of Table 2 reveals that the mean scores of all variables were within the respective scale’s positive or agree range. This would suggest that a constructive diversity climate, transformational leadership and organisational commitment are present in the sample group.

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Table 2 presents the descriptive and reliability results for all variables measured in this study.

**TABLE 2: Descriptive results and reliability**

<table>
<thead>
<tr>
<th>Item</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Cronbach’s alpha</th>
<th>Inter-item correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversity climate</td>
<td>3.39</td>
<td>0.78</td>
<td>-0.48</td>
<td>0.02</td>
<td>0.92</td>
<td>0.55</td>
</tr>
<tr>
<td>Transformational leadership</td>
<td>5.05</td>
<td>1.20</td>
<td>-0.97</td>
<td>0.17</td>
<td>0.86</td>
<td>0.70</td>
</tr>
<tr>
<td>Vision articulation</td>
<td>5.13</td>
<td>1.35</td>
<td>-0.99</td>
<td>0.41</td>
<td>0.93</td>
<td>0.73</td>
</tr>
<tr>
<td>Role modelling</td>
<td>5.05</td>
<td>1.67</td>
<td>-0.92</td>
<td>-0.22</td>
<td>0.96</td>
<td>0.89</td>
</tr>
<tr>
<td>Goal acceptance</td>
<td>5.22</td>
<td>1.47</td>
<td>-1.02</td>
<td>0.37</td>
<td>0.96</td>
<td>0.84</td>
</tr>
<tr>
<td>High-performance expectations</td>
<td>5.43</td>
<td>1.24</td>
<td>-0.83</td>
<td>-0.05</td>
<td>0.86</td>
<td>0.68</td>
</tr>
<tr>
<td>Individual consideration</td>
<td>4.53</td>
<td>1.25</td>
<td>-0.30</td>
<td>0.17</td>
<td>0.62</td>
<td>0.27</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>4.95</td>
<td>1.41</td>
<td>-0.76</td>
<td>-0.05</td>
<td>0.93</td>
<td>0.77</td>
</tr>
<tr>
<td>Organisational commitment</td>
<td>3.97</td>
<td>0.68</td>
<td>-1.11</td>
<td>2.52</td>
<td>0.80</td>
<td>0.45</td>
</tr>
</tbody>
</table>
Correlation analysis

The study calculated correlations in order to determine the relationship between the described variables. Although correlations are considered a worthy indicator of the relationship, it does not necessarily indicate that one variable is caused by another (Hinkle, Wiersma, & Jurs, 2003). For that reason, the purpose of the correlation analysis was to determine the type and nature of the relationships between transformational leadership characteristics, diversity climate and the characteristics of the defined organisational employee outcomes. The results from the correlation analysis are presented in Table 3.

A closer inspection of the results in Table 3 reveals that all transformational leadership characteristics and the transformational leadership aggregate demonstrated a noticeable relationship with the diversity climate. The role modelling factor revealed a large effect ($r = 0.54$) in the relationship with the diversity climate. Individual consideration and the diversity climate revealed the lowest scoring correlation ($r = 0.21$) which was considered a small effect.

An analysis of the relationship between the diversity climate and organisational commitment revealed a medium effect ($r = 0.34$). The relationship between the transformational leadership aggregate and organisational commitment also demonstrated a medium effect ($r = 0.35$).

Mediation analysis

The final examination of transformational leadership, the diversity climate and commitment included an analysis of a simple mediation model. This model was computed using PROCESS macro version 3 (Hayes, 2017) through SPSS. The results of the simple mediation model are presented in Table 4.

As indicated in Table 4, the mediation analysis revealed that the four traditional conditions for mediation were met. The reliable bootstrapping bias-corrected 95% lower and upper confidence interval range did not include zero. This result supports the significant indirect effect of a diversity climate on the relationship between transformational leadership and commitment.

Figure 2 illustrates the results of the simple mediation modelling. Transformational leadership was the independent variable, diversity climate the mediator and organisational commitment the dependent variable.

A further analysis of Table 4 and Figure 2 reveals a significant result for the first regression (c) where transformational leadership was considered the independent variable and organisational commitment the dependant variable ($b = 0.22$, $t(228) = 6.28$, $p < 0.01$).

The second regression (a) with transformational leadership and diversity climate (mediator) was also significant with $b = 0.26$, $t(228) = 6.45$ and $p < 0.01$.

The third regression (b) between diversity climate (mediator) and organisational commitment was significant with $b = 0.20$, $t(227) = 3.48$, $p < 0.01$.

The results for the indirect effect revealed a significant result with $B = 0.05$, $SE = 0.02$, $LLCI = 0.02$ and $ULCI = 0.10$.
The indirect effect from the bootstrap analysis with 95% confidence interval did not include zero; therefore, \( a \times b \) is significant and consequently a diversity climate can be considered as a mediator in the relationship between transformational leadership and organisational commitment. All three pathways (\( a, b \) and \( c \)) are significant and positive; for that reason, the mediation model was considered a ‘complementary mediation’ model as prescribed by Zhao et al. (2010).

Discussion

In this section, we revisit the study’s primary and secondary objectives. The primary objective was to test a proposed simple mediation model, with the diversity climate mediating the relationship between transformational leadership and employee commitment. The simple mediation analysis with transformational leadership as the independent variable, diversity climate as the mediator and commitment as the dependent variable yielded a significant result. The diversity climate demonstrated a significant indirect effect on the relationship between transformational leadership and organisational commitment. This result translates to a situation where shared perceptions regarding diversity policies and practices will constructively assist employees in demonstrating commitment towards the organisation when they are exposed to the characteristics of transformational leadership in their specific workplaces. Thus, the mediation result for the path of transformational leadership to organisational commitment via diversity confirms the mediating promises of a diversity climate as demonstrated by Volpone et al. (2012) and Taylor (2015).

The secondary objective of the study was to investigate and analyse the relationships between transformational leadership, diversity climate and employee commitment. The analysis included a correlation analysis and direct effects. The correlation results revealed small to medium practical effects when examining the relationship between transformational leadership and diversity climate. Our result confirms the findings of Ng and Sears (2011) who suggested that a documented constructive observation of ‘diversity practices’ is strongly associated with the presence of transformational leadership.

The correlation results also exposed the association between diversity climate and organisational commitment. Arguably, our results partially confirm the seminal research by Cox (1994), as we considered large effects to be more conclusive. These results also confirm the notion of Joubert (2017), suggesting that effective diversity management would lead to advantages for both the employee and the organisation.

The study further found evidence to suggest that the presence of transformational leadership will be associated with higher levels of employee commitment. This specific result confirms the notion of Walumbwa and Lawliver (2003) that transformational leadership also contributes towards a general observation of employee commitment. While traditional antecedents for diversity climate include human resource practices and policy interpretation and perceptions, none of these antecedents was tested. The study, however, explored transformational characteristics as predictors of the diversity climate score. A standardised regression coefficient demonstrated that transformational leadership could be considered a predictor of diversity climate. This result is consistent with the findings of Taylor (2015) who was also able to demonstrate a direct effect of transformational leadership on diversity climate. Our result further contributes towards organisational diversity climate literature, especially in an African setting, by responding to McKay and Avery’s (2015) recommendations that future diversity climate investigations should also look into associations with managerial aspects such as leadership.

Limitations of the study and future research

We are realistic that this study was not faultless. The quantitative approach and cross-sectional design do not allow the testing of cause–effect relationships. This limitation can be addressed in a longitudinal study, investigating the effect of diversity climate interventions on similar leadership styles and employee outcomes. The sampling method (convenience sampling) does not allow the study to generalise the results and is limited to the sample group. Future studies should consider alternative sampling techniques, for example, stratified sampling. This would allow for group comparisons. Common source bias was also considered a limitation because of self-report questionnaires and significant correlations between variables. In order to minimise the common source bias, future studies should consider careful assessment of the research environment to identify potential sources of bias and implement both procedural and statistical methods to control for common source bias (Podsakoff, Mackenzie, & Lee, 2003). Future studies should also consider a mixed-method approach in order to confirm or dismiss quantitative results.

Future studies should further explore the mediating characteristics as demonstrated by the current study. Promising mediating characteristics found in previous studies by Volpone et al. (2012) and Taylor (2015) were confirmed in a South African environment. Future researchers should perhaps investigate alternative organisational outcomes to confirm the mediation capabilities of diversity climate. These outcomes could include typical organisational performance outcomes such as production or profit indicators. More negative outcomes and associations with increased diversity, such as subtle discrimination, could also be considered as dependent variables in the simple mediation model. Alternative leadership styles should also be tested, as studies of such a nature would further contribute towards organisational diversity climate literature.

The sample demographics was dominated by the white group (69.3%), senior managers and middle managers (60.4% combined), which could have possibly impacted the results. South Africa has a unique history in terms of segregation,
with distinctive policy and legislative interventions to correct the inherited disproportions (Jackson & Van der Vyver, 2018). Previous research has demonstrated that policies aimed at correcting imbalances in employment will be viewed more positively by the group that has the most to gain (Durrheim, 2010). Furthermore, taking into consideration that South African organisations also demonstrate signs of both Afrocentric and Eurocentric leadership styles (Feldman & Msibi, 2014) and that stereotypical leadership assumptions and behaviours are a reality (Eagly, Johannesen-Schmidt, & Van Engen, 2003), future investigations should explore group differences including a multi-group analysis.

**Practical and theoretical implications**

The presence of transformational leadership and its associated advantages in the workforce of the sample group should not be underestimated. Organisations that participated in the study should consider leadership assessments for future employees, especially those organisations that require a constructive diversity climate and increased levels of employee commitment. The pathway whereby the diversity climate was considered the independent variable, and organisational commitment was considered the dependent variable, also revealed a significant result, thereby contributing towards the confirmation by Cox (1993) who had also explored outcomes of a positive climate for diversity.

It has been emphasised that future organisational leaders will have to consider managing organisational diversity as a being a specialised skill or ability (Thomas, 2006). We believe that the required development of a specialised skill in order to manage future organisational diversity will necessitate an endless supply of information on aspects of leadership in diverse environments. Important transfer of knowledge, from theory to practice, would encompass the relay of information related to the type of leadership required to materialise the full organisational benefits associated with diversity, and the type of managerial tools (policies and practices) required to enhance the process of achieving those sought-after organisational outcomes.

McKay and Avery (2015) confirmed the scarcity of diversity climate mediation studies and have called upon researchers to investigate diversity climate non-related antecedents, such as leadership. The study contributes towards the limited diversity climate literature by confirming the mediating characteristics of a diversity climate in the relationship between transformational leadership and employee commitment in a South African environment.

**Conclusion**

Future organisational leaders tasked with managing diversity need to understand that although transformational leadership will enhance employee organisational commitment, the development and implementation of policies and practices towards diversity should receive equal attention. This study has contributed towards the body of knowledge for South African organisations, with the confirmation that transformational leadership and constructive perceptions regarding policies and practices directed at diversity are associated with organisational commitment.

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Competing interests

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**Author’s contributions**

S.M. conducted the literature review, collected and processed all data and was responsible for the write-up of the article. L.J. and M.H. guided the conceptualisation and interpretation of results, provided commentary and co-authored the article.

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