Assessing the Role of Leadership in Shaping EDI Policies and Initiatives in Hospitality Industries: A Systematic Review and Meta-analysis Review

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Abstract:

This systematic review and meta-analysis investigate the intricate relationship between leadership styles and Equity, Diversity, and Inclusion (EDI) policies in the hospitality industry. Employing the PRISMA guidelines and quality assessments through CASP and JBI tools, the study synthesizes evidence from diverse research, drawing on transformational, transactional, and laissez-faire leadership styles. Findings consistently highlight the positive impact of transformational leadership on EDI policy development, aligning with organizational values and fostering inclusive cultures. The study uncovers variability in the effects of transactional and laissez-faire leadership, emphasizing the contextual nuances influencing their efficacy. Leadership commitment emerges as a critical driver, shaping organizational dedication to diversity. Organizations led by committed leaders are more likely to implement comprehensive EDI policies, influencing practices in recruitment, promotion, and retention. Additionally, positive associations are identified between effective leadership, EDI policies, and favorable employee outcomes. Employees perceiving leaders as diversity advocates report higher job satisfaction, engagement, and contribute to improved teamwork and innovation. This study not only enriches the understanding of leadership's role in shaping EDI policies within the hospitality industry but also provides valuable insights for organizational leaders and policymakers aiming to create inclusive environments in this dynamic sector.

Keywords: Leadership, Equity, Diversity, Inclusion, Hospitality Industry

Introduction:

Diversity and inclusion have become integral components of contemporary organizational landscapes, acknowledging the importance of embracing differences and fostering equitable environments. Within the hospitality industry, where a diverse workforce and customer base are inherent, the effective implementation of Equity, Diversity, and Inclusion (EDI) policies and initiatives is pivotal (Verma, 2020). One critical factor influencing the success of these endeavors is the leadership within hospitality establishments.

Leadership plays a fundamental role in shaping organizational culture, influencing employee behavior, and steering strategic decision-making processes (Nangolo, 2016). As the hospitality sector grapples with the imperative to create inclusive environments, understanding the specific impact of leadership on the development and implementation of EDI policies and initiatives becomes paramount.

In undertaking this systematic review and meta-analysis, we aim to provide a comprehensive synthesis of current evidence, offering insights that can inform both research and practice in the hospitality industry. By identifying patterns, gaps, and best practices, this study endeavors to contribute valuable knowledge that can guide leaders, policymakers, and researchers in fostering more inclusive and equitable hospitality environments.

In conducting this research, we employ the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to ensure rigor and transparency in our methodology and reporting (Moher et al., 2009). Through this investigation, we aspire to contribute to the ongoing discourse on leadership, EDI policies, and their collective impact on organizational success within the dynamic landscape of the hospitality industry.

Literature Review:

The hospitality industry, characterized by a diverse workforce and customer base, recognizes the importance of fostering inclusive environments. Equity, Diversity, and Inclusion (EDI) have emerged as critical components in organizational strategies, reflecting the industry's commitment to embracing differences and creating equitable spaces.

Leadership Styles and EDI Implementation:

Leadership plays a pivotal role in steering organizational culture and decision-making processes, which significantly impact the successful implementation of EDI policies. Research suggests that leadership styles, such as transformational, transactional, and laissez-faire, have varying effects on the adoption and success of EDI initiatives (Avolio et al., 2009; Bass, 1985).
Transformational leaders are characterized by their ability to inspire and motivate employees, fostering an inclusive culture that values diversity. In contrast, transactional leaders may focus more on compliance, potentially hindering the development of a genuinely inclusive environment. The laissez-faire leadership style, marked by a hands-off approach, may result in a lack of direction and commitment to EDI efforts within an organization (Northouse, 2021).

Leadership plays a critical role in shaping an organization's commitment to diversity. Effective leaders align EDI policies with organizational values, promoting a culture of inclusion. Scholars argue that leadership commitment is crucial for translating diversity rhetoric into tangible actions and policies that reflect genuine inclusivity (Cox & Blake, 1991; Kalev et al., 2006).

Organizations with strong leadership commitment to diversity are more likely to implement comprehensive EDI policies that address recruitment, promotion, and retention practices. Conversely, a lack of commitment from leadership may result in incongruence between stated values and actual organizational practices, leading to challenges in achieving diversity goals (Jackson et al., 2003; Pelled et al., 1999).

**Employee Satisfaction and Performance:** The impact of leadership on employee satisfaction and performance within the context of EDI policies is a critical aspect of organizational success. Transformational leadership has been associated with increased employee satisfaction, engagement, and commitment (Bass & Riggio, 2006). Employees who perceive their leaders as advocates for diversity are more likely to be satisfied with their work environment, fostering a positive organizational climate (Konrad et al., 2006).

Moreover, positive leadership behaviors contribute to improved employee performance. A diverse and inclusive workplace, cultivated through effective leadership, can enhance teamwork, creativity, and innovation, ultimately influencing organizational success in the competitive hospitality industry (Cox, 1994).

While existing literature provides valuable insights into the relationships between leadership, EDI policies, and outcomes in the hospitality industry, there are notable gaps. Limited research explores the specific nuances of different leadership styles and their differential impact on EDI initiatives. Additionally, few studies investigate the moderating effects of contextual factors, such as organizational size, cultural diversity, and geographic location, on these relationships.

The role of leadership in shaping EDI policies and initiatives within the hospitality industry is a complex and multifaceted phenomenon. Transformational leadership emerges as a positive force, fostering inclusive cultures and promoting diversity. However, the specific dynamics of leadership styles, organizational commitment, and their impact on employee satisfaction and performance warrant further exploration.

This literature review sets the stage for our systematic review and meta-analysis, aiming to contribute to the evolving discourse on leadership and EDI in the hospitality industry. By synthesizing existing research, we aspire to offer a comprehensive understanding of the interplay between leadership and EDI, providing practical insights for organizational leaders, policymakers, and scholars in the field.

**Methodology:**

The systematic review followed the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines to ensure transparency, rigor, and reproducibility in the review process (Moher et al., 2009). The PRISMA guidelines provided a structured framework for conducting and reporting the systematic review and meta-analysis, guiding the identification, screening, eligibility, and inclusion of studies in the final synthesis.

A comprehensive search strategy was developed to identify relevant studies from electronic databases such as Google Scholar, PubMed, Scopus, and PsycINFO. The search terms included variations of "leadership," "equity, diversity, and inclusion," and "hospitality industry." The search was conducted up to 2023 to ensure the inclusion of the most recent and relevant literature.

Studies were included if they focused on the relationship between leadership styles and the development, implementation, or impact of EDI policies and initiatives within the hospitality industry. We included studies of various designs, such as qualitative, quantitative, and mixed-methods research. Articles not written in English, duplicates, and studies with insufficient information were excluded.

Two independent reviewers conducted the initial screening based on titles and abstracts, followed by a full-text review of potentially eligible studies. Any discrepancies were resolved through discussion, and a third reviewer was consulted when necessary. The final selection of studies was made based on the relevance to the research question and adherence to inclusion criteria.
Data extraction was conducted independently by two reviewers using a standardized form. Extracted information included study characteristics (e.g., author, publication year, study design), participant demographics, leadership styles assessed, EDI policies and initiatives investigated, and relevant outcomes. This systematic approach aimed to capture essential details for subsequent analysis.

The quality of included studies was assessed using the Critical Appraisal Skills Programme (CASP) and Joanna Briggs Institute (JBI) critical appraisal tools, tailored to the specific study designs (CASP, 2017; JBI, 2014). Each study underwent a rigorous assessment by two independent reviewers to evaluate methodological rigor, internal validity, and potential biases.

The systematic synthesis of evidence involved a narrative summary of findings and a meta-analysis where appropriate. The narrative synthesis provided an overview of key themes and patterns across studies, while the meta-analysis employed statistical methods to quantitatively analyze and synthesize relevant numerical data from selected studies.

Subgroup analyses were conducted to explore variations in leadership styles, EDI policies, and outcomes. Sensitivity analyses were performed to assess the impact of study quality on overall results. These analyses aimed to enhance the robustness and generalizability of the findings.

As a systematic review and meta-analysis involving the analysis of existing literature, ethical approval was not required. However, ethical considerations, such as ensuring the confidentiality and anonymity of study participants, were adhered to in the reporting and interpretation of findings.

Findings and Discussion:

Positive Impact of Transformational Leadership:
Our systematic review, incorporating insights from diverse studies (Smith et al., 2018; Dagala, et al., 2023), consistently illuminated the positive influence of transformational leadership styles within the hospitality industry on the formulation and execution of Equity, Diversity, and Inclusion (EDI) policies. Transformational leaders demonstrated a remarkable ability to inspire and motivate employees, creating organizational cultures that actively embraced inclusivity and diversity. These leaders were found to be instrumental in aligning EDI initiatives with the core values of the organization, emphasizing the significance of fostering a workplace environment that not only acknowledges but actively promotes equity, diversity, and inclusion (Bass & Riggio, 2006).

Drawing on the works of Smith et al. (2018), our findings indicate that transformational leaders go beyond the conventional managerial role, engaging employees in a shared vision that incorporates EDI principles. This alignment with a collective vision enhances the efficacy of EDI policies, creating a more profound impact on organizational culture. Furthermore, the literature consistently underscores that transformational leaders are adept at promoting diversity not merely as a compliance measure but as an integral aspect of the organizational ethos (Martinez, et al., 2023).

Organizations led by transformational leaders not only tend to have well-defined and implemented EDI policies but also exhibit a commitment to sustaining diversity and inclusion as part of their ongoing practices. This commitment goes beyond rhetoric, manifesting in tangible actions that support the recruitment, professional growth, and retention of a diverse workforce. The positive correlation between transformational leadership and the successful execution of EDI policies positions this leadership style as a cornerstone in driving cultural change within the hospitality sector, fostering environments that celebrate differences and capitalize on the strengths inherent in a diverse workforce.

Variability in the Impact of Transactional and Laissez-faire Leadership:
Our comprehensive analysis, drawing on the insights from various studies (Brown & Jones, 2017; Martinez et al., 2019; Wang & Johnson, 2021), revealed a nuanced and multifaceted relationship between transactional and laissez-faire leadership styles and their impact on the effectiveness of Equity, Diversity, and Inclusion (EDI) policies within the hospitality industry.

The literature consistently portrays transactional leadership as a style characterized by a focus on compliance and reward-based mechanisms (Bass, 1985; Avolio et al., 1999). In certain instances, our findings align with studies suggesting that transactional leadership can contribute positively to specific aspects of EDI implementation. Malbas, et al. (2023) emphasize that transactional leaders, through their emphasis on clear expectations and performance evaluations, may provide a structured framework conducive to achieving diversity-related goals. Such leaders may leverage rewards and recognition to incentivize behaviors that align with EDI objectives, thereby supporting the integration of these policies into organizational practices.
However, the impact of transactional leadership on EDI policies is variable, reflecting the contextual nature of leadership effectiveness. Martinez et al. (2019) point out that transactional leadership may not be universally applicable, and its efficacy in promoting diversity and inclusion can be contingent on factors such as organizational culture and the nature of the workforce.

Conversely, our analysis highlighted inconsistent effects associated with laissez-faire leadership, characterized by a hands-off and passive approach to leadership (Northouse, 2021). While some studies indicated potential challenges in achieving comprehensive EDI goals under laissez-faire leadership (Wang & Johnson, 2021), others suggest that this leadership style may not necessarily hinder EDI initiatives in all circumstances. Laissez-faire leaders may provide autonomy and flexibility to employees, allowing for grassroots efforts in promoting diversity and inclusion.

It is crucial to recognize the dynamic interplay between leadership styles and organizational contexts in influencing the effectiveness of EDI policies. Organizations must carefully consider the appropriateness of transactional and laissez-faire leadership styles, taking into account their unique organizational culture, employee demographics, and overarching EDI goals. The variability observed underscores the need for a tailored approach in leadership development and selection to align with the specific requirements of promoting diversity and inclusion within the diverse landscape of the hospitality industry.

Leadership Commitment as a Driving Force:
The synthesis of evidence, informed by pivotal studies in the field (García-Rodríguez, et al., 2020; Nguyen, et al., 2022; Kilag, et al., 2023; ), underscores the pivotal role played by leadership commitment in shaping organizational dedication to diversity within the hospitality industry. The commitment exhibited by leaders emerged as a driving force, significantly influencing the formulation and execution of comprehensive Equity, Diversity, and Inclusion (EDI) policies.

Findings consistently revealed that organizations led by leaders with a demonstrated and unwavering commitment to diversity were more likely to develop and implement EDI policies that extend beyond mere compliance. This commitment, echoing through both rhetoric and tangible actions, played a crucial role in shaping organizational practices related to the recruitment, promotion, and retention of a diverse workforce. Kilag, et al. (2023) emphasize the importance of leadership commitment as a cultural catalyst, permeating through all levels of an organization and setting the tone for a genuine and sustained commitment to diversity and inclusion.

The commitment demonstrated by leaders extends beyond verbal endorsements to manifest in tangible actions. Pila, et al., 2023 (2011) argue that effective leaders not only articulate the importance of diversity but also translate these principles into concrete practices, ensuring that EDI policies are embedded in the fabric of organizational culture. This commitment is reflected in the strategic allocation of resources, the establishment of inclusive hiring practices, and the creation of pathways for the professional development of underrepresented groups.

Moreover, the commitment of leaders influences the organizational response to diversity-related challenges. Fodor, et al. (2023) highlight that leaders committed to diversity are more likely to address resistance to EDI policies promptly, fostering an environment where diversity becomes a shared organizational value rather than a mere compliance requirement.

Leadership commitment serves as a linchpin, steering organizations towards holistic and sustainable diversity and inclusion practices. Organizations aspiring to cultivate genuine diversity and inclusion should prioritize leadership commitment, recognizing it as the driving force that shapes not only the development and implementation of EDI policies but also the overall organizational culture that celebrates and embraces diversity in all its dimensions within the dynamic landscape of the hospitality industry.

Positive Associations with Employee Satisfaction and Performance:
The meta-analysis, informed by key studies in the field (Dunst, et al., 2018; Sfantou, et al., 2017), consistently revealed a compelling positive association between effective leadership, the implementation of Equity, Diversity, and Inclusion (EDI) policies, and favorable outcomes for employees within the dynamic landscape of the hospitality industry.

Notably, employees who perceived their leaders as advocates for diversity consistently reported higher levels of job satisfaction and engagement (Villarin, et al., 2023). Leadership behaviors that actively promoted diversity and inclusion were integral to creating a workplace culture where employees felt valued, respected, and empowered. Jehn et al. (2015) emphasize that positive leadership behaviors contribute to a sense of psychological safety, allowing employees to express their diverse perspectives without fear of reprisal, thereby enhancing overall job satisfaction.

Furthermore, the cultivation of a diverse and inclusive workplace through positive leadership behaviors had a profound impact on teamwork, creativity, and innovation (Shore et al., 2011). Effective leaders recognized the
importance of leveraging the diversity within their teams, fostering an environment where different perspectives and ideas were not only accepted but actively encouraged. This inclusive approach facilitated improved collaboration and problem-solving, leading to enhanced creativity and innovation within the organization.

The positive workplace culture fostered by effective leadership translated into improved overall employee performance. A workforce that feels supported, valued, and included is more likely to be motivated and committed to organizational goals, ultimately contributing to the success of hospitality establishments (Shore et al., 2011). The findings underscore the critical role of leadership in not only shaping EDI policies but also in creating a workplace environment that enhances job satisfaction, teamwork, and overall performance in the vibrant and competitive hospitality industry.

**Conclusion:**

This systematic review and meta-analysis have provided a comprehensive understanding of the nuanced interplay between leadership styles and the development, implementation, and impact of Equity, Diversity, and Inclusion (EDI) policies within the hospitality industry. Drawing on a synthesis of evidence and insights from diverse studies, several key findings emerge, shaping our understanding of the role of leadership in fostering inclusive environments.

Firstly, the study consistently highlights the positive impact of transformational leadership on the development and execution of EDI policies. Transformational leaders, through their ability to inspire and motivate, play a pivotal role in fostering inclusive cultures that align with organizational values. This finding resonates with existing literature (Bass & Riggio, 2006; Smith et al., 2018), emphasizing the transformative potential of leaders who go beyond conventional managerial roles, actively engaging employees in shared visions that incorporate EDI principles.

However, the research also underscores the variability in the impact of transactional and laissez-faire leadership styles. While transactional leadership, with its emphasis on compliance and rewards, may support specific aspects of EDI implementation, its effectiveness is contingent on organizational context. Likewise, laissez-faire leadership exhibits inconsistent effects, emphasizing the need for a nuanced approach in considering the appropriateness of leadership styles within diverse organizational settings.

Furthermore, the study highlights the pivotal role of leadership commitment as a driving force in shaping organizational dedication to diversity. Organizations led by leaders with a strong commitment to diversity were more likely to implement comprehensive EDI policies, reflecting a commitment translated into both rhetoric and tangible actions.

Lastly, positive associations between effective leadership, EDI policies, and favorable employee outcomes underscore the significance of leadership in cultivating diverse and inclusive workplace cultures. Leaders who advocate for diversity contribute to higher levels of job satisfaction and engagement, fostering improved teamwork, creativity, and innovation.

This study not only enriches the current discourse on leadership and EDI within the hospitality industry but also provides practical insights for organizational leaders, policymakers, and scholars. Recognizing the critical role of leadership in shaping EDI policies and fostering inclusive cultures is essential for organizations aspiring to thrive in the dynamic and competitive landscape of the hospitality industry. As we move forward, the findings encourage a continued exploration of contextual factors influencing these relationships and the development of targeted strategies to enhance diversity and inclusion within hospitality establishments.

**References:**


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