Article

Leadership's role in managing gender diversity and its impact on business growth and stability

Vijayakumar Ramasamy Velar*, **Daisy Mui Hung Kee**

School of Management, Universiti Sains Malaysia, Penang 11800, Malaysia
* Corresponding author: Vijayakumar Ramasamy Velar, vijayakumar@student.usm.my

Abstract: The research objective is to affirm the play of gender diversity and the role of leaders in promoting the concept among businesses for growth and long-term sustainability. The detailed literature search indicated that the culture of gender diversity can only be implemented if the leader practices three key leadership elements, which are effective communication (EC), emotional intelligence (EI), and better decision-making (DM). The paper strives to project the importance of gender diversity in managing market competition, the role of a leader in managing gender diversity, and how gender diversity impacts business growth and sustainability. The paper provides a different model for organizational leaders to instill and promote diversity. The study undertook a literature research approach to gain an in-depth understanding of the leadership role based on the current pool of literature to identify the factors that could promote diversity. The literature review concurred with the importance of implementing gender diversity in the business and assessing the long-term growth and the critical role of leadership as an enabler. The research concluded that leaders are required to play an active role in promoting gender equality to ensure it would directly impact business growth. The study provides a potential conceptual framework for future research to take over subsequently using a quantitative or qualitative method.

Keywords: gender diversity; emotional intelligence; decision-making; effective communication; business growth; stability

1. Introduction

Competition within business environments is a reality that cannot be ignored, and it is known that market competition will pressure businesses to make appropriate business decisions to stay competitive. Managers and leaders working in the business sector should make sure that they take active steps to keep employee morale high. In this context, the role of diversity cannot be denied. If gender diversity is not present within the business entity, then it is expected that the business will not be able to work at its maximum efficiency. The paper strives to enhance the current literature by analyzing the importance of diversity in organizations to promote business growth and sustainability and what leadership elements are needed in the organizations to support it.

When the concept of diversity is discussed, then it means allowing people, regardless of their age, gender, color, race, or religion, which means that in a business context, the meaning of diversity reflects on the opportunities that are provided to the individuals to prove themselves. It is usually an argument that achieving gender diversity is becoming difficult for businesses as it is presumed that specific job roles cannot be performed well by females or males. However, the concept of diversity reflects gender equity in which it is assumed that each individual is given an equal

opportunity to progress and play their part. The roles and responsibilities within the working environments are not set on a gender basis, making it crucial to think about ways to implement diversity (Burns, 2019).

The concept of gender diversity has been in the discussion for ages, and it is often argued that female employees are not given an opportunity as male employees. It is frequently observed that the issue of gender diversity and not providing equal opportunities to employees has a direct implication on the working environment. It is seen that the working environments are getting affected, which means that it is usually challenging for the managers to deal with employee questions and morale issues if gender diversity is not valued in the organization (Boateng, 2022). It is often argued that managers are expected to be efficient leaders who can bring change in the working environments. It is usually observed that when leaders focus on the working environment and practices, they will adopt practices acceptable to employees and higher management. The leaders are expected to play a positive role in managing gender diversity as well (Crane and Bovone, 2006).

Market competition is often considered rigorous, and it is presumed that activities such as market research are the only possible way to control this issue. However, males are usually valued for market research and field analysis as they can perform the analysis efficiently. Dealing with gender diversity issues also means that it is becoming an issue for businesses to manage employee morale and make them realize that diversity is valued even though specific roles are gender-oriented (Boateng, 2022). Leaders are expected to play a positive and active role in this scenario. However, there also exists a problem in implementing gender diversity among businesses: the lack of communication between the parties. Employees' perspectives in the organization must be understood correctly to develop an efficient strategy. However, in the context of gender diversity, this aspect is usually ignored. It is often noticed that the employees are not allowed to share their views about gender diversity issues in the businesses. In most cases, even if the company thinks that they have acted well in its operations and maintained gender diversity, there is a chance that the perspective of employees will be different. It can only be managed when the leader plays an active role (Byron and Post, 2016).

As gender diversity is considered vital, the expected literature-based objectives for this study are as follows:
1) To evaluate the importance of gender diversity in managing market competition.
2) To identify the role of a leader in managing gender diversity.
3) To assess the impact of gender diversity on business growth and success.
   The research questions that are related to the mentioned objectives are as follows:
1) What is the importance of gender diversity in managing market competition?
2) What is the role of a leader in managing gender diversity?
3) How does gender diversity impact business growth and success?

The objectives mentioned above and the questions mentioned that the focus would be on three components within this literature research: gender diversity, leadership, and business growth. This research is thus significant as it would focus on the importance of leaders in a business and their active role in managing gender diversity. It is expected that when leaders are part of an organization, they will help the employees and managers implement policies and procedures to help them succeed

in diversified business environments (Fernando et al., 2020). The findings of this research will also make businesses in the manufacturing and services sector aware of the importance of having leaders as they will be able to maintain diversity in the business. Through this research, it is also assured that a thorough understanding will be made of the practices for gender diversity among businesses and their relative impact on the success of the organization in terms of business growth. Business growth and market success are the ultimate business goals as they will help achieve the target for managing shareholders' returns. It is only expected to be possible if businesses can maintain gender diversity (Gaston et al., 2020).

1.1. Defining gender diversity

Gender diversity refers to the equitable representation given to people of different genders within the organization. It is often argued that for managing gender diversity, the full spectrum of gender identities must be considered, as only then would it become possible for businesses to include all genders, such as male, female, transgender, non-binary, and genderqueer individuals within the company (Byron and Post, 2016). Diversity itself means having people from different origins and values. It is expected that when gender diversity is present among businesses, it will entirely focus on the said representation. The term representation means that all genders are given equal opportunity so that they can participate and be assigned to the task roles rather than focus on the gender roles. It is expected that when representation is in place in the business, all individuals will be capable of having a presence in the workplace, leadership positions, and educational settings (Gaston et al., 2020). The gender diversity illustrated in **Figure 1**.
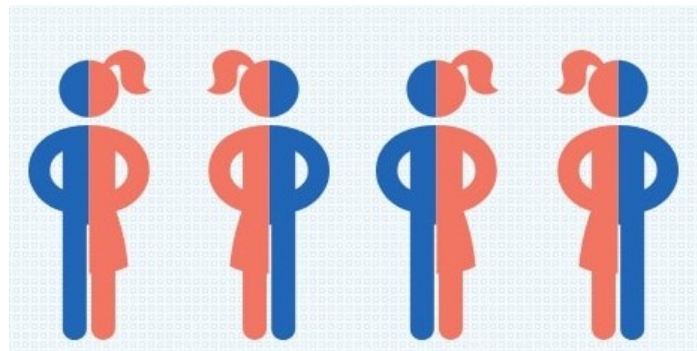
Figure 1. Gender diversity illustration.

Inclusion is also a concept that is directly linked to the idea of gender diversity. The element of inclusion means that an environment should be created among the businesses in which all genders will feel welcomed. Inclusion also refers to a strategy in which the business practices will be in place in which people from different gender orientations are respected equally (Crane and Bovone, 2006). When inclusion is in place, it is expected to become a cultural practice in which the management acknowledges the efforts made by individuals across the gender spectrum and values their contribution to the business. Having the element of inclusion also means that the company will value the efforts and contributions made by the employees and give them the recognition they deserve (Gonsiorek, 2014).

Besides, the term equity also projects a similar meaning of gender diversity in which it is expected that all policies, rules, and procedures will be implemented in an organization without considering gender. The equity context mentions that businesses are expected to make decisions that eliminate any disparity among the practices that can cause bias within the gender. Equity also means that fair treatment is valued in which all individuals in the business are treated similarly. Advancement for people of all genders is also essential to equity within the business environment (Hogg and Terry, 2000).

Awareness and education are essential components for managing gender diversity, and the business is expected to focus on raising the initiatives to educate people about these concepts. As per a general perception, the activities for awareness are expected to help manage the working environment, in which the individuals will value each other's opinions and perspectives (Anderson, 2021). The support system is also considered an element that is related to the concept of gender diversity, and it is considered essential that resources be provided to managers and leaders, which can help achieve the target for diversity. Having such a support system also means that the working practices are introduced in the businesses in which the company will make sure that it is looking at ways through which to provide all the resources of male and female workers where they can contribute towards the well-being of an organization (Martins, 2020).

1.2. Importance of gender diversity

It is often argued that the role of gender diversity should be adequately assessed in the societal and organizational context. Social justice and equality are considered fundamental aspects of gender diversity. It is often argued that for businesses, it is necessary to make socially correct decisions that will not have any negative implications on the business outcomes. It is often perceived that when gender diversity is present, there is a high chance that the decision-making is done by focusing on the implications for people of different genders. It is assumed that when gender diversity is present in the business environments, it reduces gender-based discrimination and, thus, fosters inclusiveness and a fair society (Mousa et al., 2020). Mousa et al. (2020) outlined the key benefits of having gender diversity, which are depicted in **Figure 2**. The presence of gender diversity also means that enhanced decision-making and innovation will have their place in the organization. It is expected that when teams are diverse in the business, they will also have diversified perspectives, which will help in making innovative business decisions. The experiences and ideas for businesses are in place, which can also enhance the market worth of business. When diverse teams are present in the organization, then it is expected that the issues will be resolved immediately. Problem-solving will be better and more effective when diverse teams are present in the organization. Diverse teams will likely also help understand the market dynamics easily, which can contribute to efficient decision-making (Gonsiorek, 2014).

Figure 2. Importance of gender diversity (Mousa et al., 2020).

Gender diversity is expected to provide economic benefits in the workplace. The financial advantages are significant because businesses will focus on having diverse leadership and workforces in place, which are expected to perform better and more effectively. It is likely that when the leader can help manage the leadership position, it will help make diverse decisions easily (Russen et al., 2021). For businesses, the ultimate goal is to fulfill the business targets for profitability and productivity. It is expected that this target can be easily achieved when it becomes convenient to manage the performance of employees. Without motivation, it is impossible to achieve this target; thus, if diversification is not in place, it would be impossible to achieve this target (Herring, 2009).

Organizational culture is considered a vital component for success as it is presumed that it helps manage business targets when culture is maintained. When the culture is diverse in the organization, it is expected to help design an inclusive and supportive organizational culture. It is foreseen that the employees will feel more valued and respected when the business targets focus on diversification (Mousa et al., 2020). This feeling is expected to provide a clear overview of how employees are expected to achieve their business goals. It is also likely that diversity will help businesses motivate employees as respect or inclusion will act as an external factor to help achieve the target. If gender diversity is valued, then it is foreseeable that the job satisfaction rates will also be high for the employees. Thus, they will feel motivated to work in the best organizational interest (Martins, 2020).

1.3. Leadership role in gender diversity

In an organization, leaders are considered individuals capable of managing business goals, and it is expected that the businesses will make sure that they are looking at ways leadership can play an active role in managing gender diversity. When gender diversity is in place within the business, it will provide the leaders an option to achieve their targets as well. Leaders are considered individuals capable of bringing change in an organization, and thus, if they focus on diversity, then it is going to help businesses embed gender diversity within their policies (MacKinnon, 1982). It has been established that for most companies, it is becoming crucial to focus on ways to

make employees focused, and it is only possible when the leadership is playing its part. When the leaders set this path in the organization, they will set the tone for fulfilling business goals from the top down. Leaders must communicate clearly to management about the pros and cons of gender diversity. This clarity in communication will also result in setting the policies and procedures in the organization so that it would become convenient for business to achieve the business goals (Mahajan, 2011).

Leaders are considered individuals in the organization who are expected to provide equal opportunity to the employees, and this would also have a favorable implication on society. Suppose equal opportunities are provided to the employees regardless of their gender. In that case, it is expected to develop a feeling of recognition among the employees, which can quickly help achieve business goals. Monitoring and addressing the biases and barriers within the organization is expected to positively impact the ability of businesses to fulfill their business goals (Makhbul and Mohamad, 2010). Fulfilling business goals and dealing with market competition also requires firms to ensure they are building diverse business teams. The leaders are entrusted to be active members of the organization and help manage diversity in business teams. This way, the expected diverse teams could be established and capable of fulfilling the business goals. Promoting diversity also reflects in providing employment opportunities to individuals by leaders; thus, efficient hiring, recruitment, or selection processes will be in place among the business (Politis, 2003).

Mentorship and support are crucial aspects of leadership roles, and it is often observed that they are needed more rigorously when the working environments are diversified. It is expected that businesses will have rigid and volatile working environments that will cause issues and discomfort to employees, and thus, only with the support of leaders will employees be able to overcome problems and contribute to business goals (Russen et al., 2021). The creation of exclusive cultures is also an essential aspect of leadership, and it is expected that only leaders can develop such cultures. Measuring and monitoring processes for diversity itself is a complex process, and if the leaders have complete devotion, only then will they be able to fulfill the business goals. The leaders thus can also be referred to as advocates for change, and they are expected to make sure that policies that are not focused on diversity will be altered as they are ethical and morally required (Ramadani et al., 2017).

1.4. Impact of gender diversity

As understood earlier, when gender diversity is valued in an organization, it will help make effective business decisions. Employees of different ages and genders will have their perspectives, which is expected to help businesses adopt beneficial practices. The enhanced decision-making practice also means that the business will be able to deal with business volatility and take initiatives for growth (Sidhu et al., 2020). By having gender diversity in place, the business is expected to give more respect to the options and opinions of the employees, thus acting as a competitive point for the business. Gender diversity will promote business creativity by making management understand different approaches (Prügl and True, 2014). Each gender can share information from their respective sector, which can help them make business decisions accordingly. **Figure 3** below illustrates the gender equality in an organization.

Figure 3. Illustration of gender equality in an organization.

Any business will encounter challenges along the way for sure, and if the is gender diversified workforce available, then better problem-solving will not be an issue. The research has also suggested that businesses with diversified business teams are better at solving problems. This is because the gender-diverse team can draw the facts from the diverse pool of knowledge and share their opinion and experience about the situation (Ramadani et al., 2017). If the issues are more comprehensive, gender-diverse teams can evaluate all the aspects without feeling pressured. Better problem-solving will thus lead to improved financial performance. Businesses can easily make decisions, which can also make them capable of dealing with market competition (Shao et al., 2016).

1.5. Managing gender diversity and its business implications

In the research conducted by Mahajan (2011), the concept of gender diversity was mentioned concerning manufacturing businesses. It was explained that the definition of gender diversity is simple, and it is vital that people from different gender orientations are given the platform and opportunity to manage their business goals. Gender diversity is becoming an important aspect, and it has been established that businesses should develop policies for managing gender diversity. It is vital that gender diversity is handled correctly, and adequate empowerment for leaders is required. While analyzing similar research by Makhbul and Mohamad (2010), it was mentioned that diversity means the business will focus on hiring employees from different gender-based orientations based on their skills and expertise. Both research findings highlighted the importance of gender diversity and stressed that for businesses to achieve their business goal, the focus on gender diversity is the best possible solution.

Politis (2003) mentioned that gender diversity has multiple business implications and can only be managed when the business focuses on enriching the organizational culture. In terms of the organization's culture, it is considered a priority for growing business organizations to align and embed gender diversity within their culture as it is a foreseeable component of success. It is considered crucial for businesses to focus on their ability to generate benefits, and it is only possible by having a diverse employee base. Ramadani et al. (2017) also verified the findings of the previous research, and it was made clear that the gender-diverse policies and principles present in the organization were the determinant factors for success. If the business fails to manage its gender-diverse roles, it is going to be challenging to achieve its business goals.

Findings from Ramadani et al. (2017) showed that gender diversity makes it easy to deal with business pressures and the threat of increasing market competition.

To analyze the business implications, Prügl and True (2014) also conducted similar research in which they mentioned that businesses must operate in the manufacturing sector, primarily to have a diverse employee base. In terms of the implications, they mentioned that when a business sells products or services to consumers, it is crucial to have a clear market image. One such market image is portrayed through diversity initiatives. Moreover, Shao et al. (2016) also mentioned that internal business policies, such as diversity, will create a market image among consumers. If consumers believe that business initiatives focus on gender diversity, they will trust the business's product or service. In this context, the business implications mean that for businesses to increase their financial stability and market capitalization, they have to have a diverse employee base.

For financial performance, Prügl and True (2014) shared that there are two possible ways in which gender diversity can help businesses achieve their business targets. From an employee perspective, it was mentioned that the employees are expected to support the business in fulfilling their business goals when a culture such as gender diversity boosts their morale and positivity. Politis (2003) similarly added that when gender diversity is present in business operations, it motivates employees because they would understand that career growth opportunities will be provided based on their skills and abilities rather than gender. The other perspective mentioned was from the customer perspective. It was observed that when businesses develop a clear vision about adopting gender-diverse practices, they will become known among consumers. The consumers will be willing to support businesses with clear ethical and moral values by practicing diversity in this context; thus, achieving the financial business targets will not be an issue.

1.6. Leadership styles in managing diversity

Earlier, the study exposed the importance of having good leaders and leadership in an organization to promote and preserve gender diversity. The study will investigate the appropriate leadership styles. The importance of proper leadership style was mentioned in the research by Sorenson (2000), in which the researcher wrote that when employees are motivated, they can deal with work pressure. The study focused on two leadership styles, i.e., transformational and transactional. It was noted that when businesses have leaders who can imply appropriate leadership styles, they will act as competitive aspects for the company. Sorenson outlined the differences between transactional and transformational leadership styles, which are depicted in **Figure 4**. Burns (2019) mentioned that for leaders, the biggest challenge is to adopt an appropriate leadership style. It was said that when a leader is not focusing on the right leadership style capable of contributing to the diversity in the business unit, it would be impossible to reach the specified business goals. With the transformational leadership style, the leader will pay more attention to implementing gender diversity in the organization in the long run so that the policies and procedures will realize the importance of such practices and culture. However, when the transactional leadership style is assessed, it is evident that the leaders will focus on promoting diversity due to

its positive long-term benefits (Wu et al., 2021).

Figure 4. Differences between transactional and transformational leadership style (Sorenson, 2000).

Furthermore, Tarabishy et al. (2005) added that when the transformational leadership style is adopted primarily among businesses, the leader will focus on bringing transformation to business practices. The transformation is expected to also make the higher management well aware of the importance and benefits of implementing gender-diverse policies. Transformation leaders will ensure that gender diversity is wholly embedded in organizational practices and that strategic decision-makers realize the importance of such practices. It will help the transformational leaders as well to generate a feeling of motivation among the employees so that they will focus on providing a high-quality service to the consumers (Wang et al., 2021).
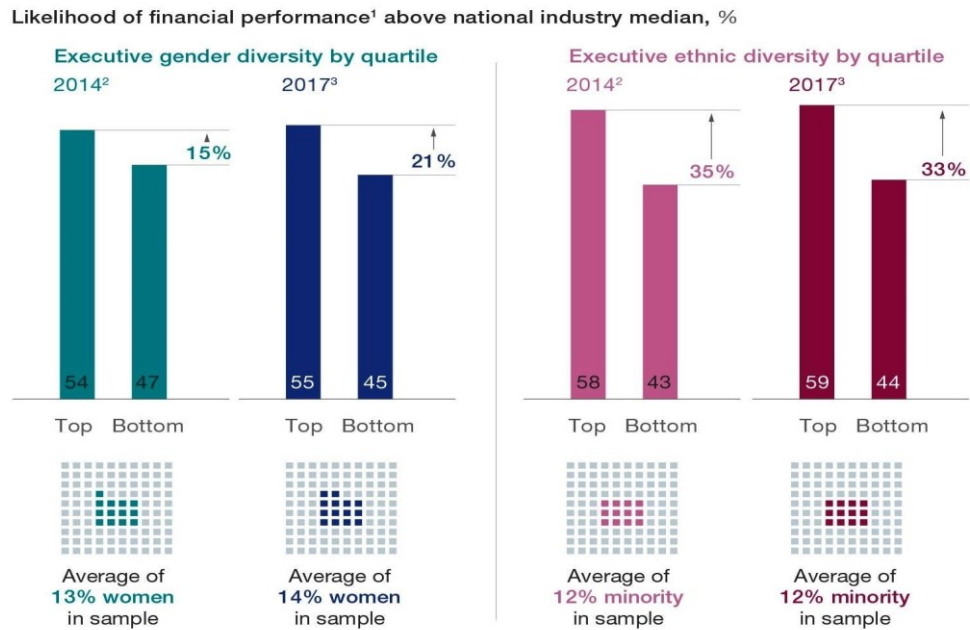
1.7. Gender diversity and working efficiency

The concept of gender diversity was linked with working efficiency in the research by Byron and Post (2016) because such practice is considered necessary for keeping employee morale high. It is apparent that when businesses have gender-diverse practices, it will be convenient for them to achieve their business goals. When positive working environments are provided to the employees where their skills and expertise are valued, they will focus on their working abilities. The elements of professional development and career progression are often considered issues that can impact employees' working efficiency. However, when the working policies focus on facilitating the employees based on their abilities, they can work at their maximum efficiency (Martins, 2020).

Tarabishy et al. (2005) mentioned that gender diversity, motivation, job satisfaction, and working efficiency are interlinked. It is considered vital for businesses to analyze the relationship between these factors, as the inability not to do so might impact the employee's day-by-day work efficiency. When the employees are motivated, they will ultimately affect the job satisfaction levels, which is expected to help achieve business goals. Sorenson (2000) mentioned that when employees are satisfied with their jobs due to intrinsic motivation, their integrity with the business will increase, resulting in improved working efficiency.

1.8. Gender diversity's relative implication on business growth and success

Business growth and success are two essential elements for continuous business operations, as Carter et al. (2010) mention. Businesses need to make sure that they are looking at possible ways through which they are capable of achieving business goals. It has been observed that it is becoming crucial for businesses to focus on paths in which business targets could be achieved, and one easy path is with the internal practice of gender diversity. The implication of gender diversity is mentioned in the research by Connell (2021), in which he added that for the successful operation of businesses, the role of gender diversity cannot be denied as people of different genders are the reason for its success. For example, gender diversity is often practiced within fashion businesses in which male and female designers will work to achieve their targeted look. This scenario is depicted in **Figure 5,** Sidhu et al. (2020) took business examples such as ZARA and H&M, where one of the critical reasons for their success is having a diversified employee base. These brands have a distinctive market position, and it is only due to the presence of people from different gender spectrums that they can provide insight into consumers' expectations (Sidhu et al., 2020). Regarding growth, it is mentioned that the fashion businesses have a global presence, and it is only possible through a diversified workforce. The people of different genders working in the various divisions of businesses are helping the business in developing their brand names (Wang et al., 2021).

Gender and ethnic diversity are clearly correlated with profitability, but women and minorities remain underrepresented.

Likelihood of financial performance[1] above national industry median, %

Executive gender diversity by quartile		Executive ethnic diversity by quartile	
2014[2]	2017[3]	2014[2]	2017[3]

	Top	Bottom		Top	Bottom		Top	Bottom		Top	Bottom

15% — 54 / 47 Top Bottom

21% — 55 / 45 Top Bottom

35% — 58 / 43 Top Bottom

33% — 59 / 44 Top Bottom

Average of **13% women** in sample

Average of **14% women** in sample

Average of **12% minority** in sample

Average of **12% minority** in sample

[1]Average earnings-before-interest-and-taxes (EBIT) margin, 2010–13 in Diversity Matters I and 2011–15 in Diversity Matters II.
[2]Results are statistically significant at p-value <0.10.
[3]Results are statistically significant at p-value <0.05.

Figure 5. Example of the positive impact of gender diversity on a company's success (Connell, 2021).

1.9. Leadership elements in managing gender diversity

Research by Dvorsky et al. (2023) focused on the meaning and roles of a leader in managing gender diversity. It was mentioned that to become an effective leader, an individual must possess the ability for effective communication (EC). Effective communication is capable of helping the management understand the importance of having an appropriate leadership style. Regarding the leadership role, emotional intelligence (EI) is also mentioned, focusing on understanding the issues of human feelings and emotions employees face due to gender inequality. If the leader does not understand the problems faced by employees while working in the business environments based on gender discrimination, then it would have an adverse impact on business efficiency. It is also expected that the factor of better decision-making (DM) concerning employees cannot be ignored because they can fulfill business targets.

Research by Mahajan (2011) mentioned that when a leader possesses effective communication (EC), then the person is also expected to have an immense ability to change the perspective of management. The ability to convey the message related to the implementation of diversification in the working environment and its related benefits for business can help in achieving the business goals without facing any difficulty. The EC is considered a tool that will ensure diversity is implemented by taking the participants into confidence and appropriately communicating the expected long-term benefits.

Carter et al. (2010) mentioned that emotional intelligence (EI) means that when a leader has an emotional link with the employees, then they will understand their perspective about the issue of lack of emotional intelligence. When high EI is present, then it is going to help the leaders in making business decisions that are beneficial for the employees and management. High emotional intelligence is also linked with the motivation level of employees, as they will be willing to work in the best organizational interest.

According to Makhbul and Mohamad (2010), decision-making (DM) with reference to the implementation of principles for diversity is crucial to becoming competitive. It is vital that the decision-making regarding implementing the policies for diversity is based on the acceptance of change by the employees and managers. It is required that the readiness of management regarding the implementation of diversity policies be assessed, and then decisions must be made accordingly, which can help minimize the resistance so that there will not be any negative impact on the growth of the business.

2. Materials and methods

As the study is an initial research linking diversity, leadership, and business growth, we undertook literature research to identify the leadership factors that could possibly promote diversity. This way, the research is assured of an in-depth understanding of the leadership role based on the current pool of literature. A summary of the related literature is given in **Table 1**. An inductive approach is also used in which the articles are selected on the basis of gender diversity, and the ones that are related to the leadership roles are used to validate the facts mentioned. For the data

analysis purpose, an overview is made about the expected factors that are related to leadership roles and the past studies that say the importance of those factors in implementing diversity. The analysis will be done on the basis of past studies and results consistency to understand ways through which different factors can help in achieving the target for growth and stability. Secondary data is used in this research, and the data gathered is collected through journal articles so that the findings can be used and are valid and reliable.

Table 1. Literature review based on leadership factors.

Researchers	EC	EI	DM
Mahajan (2011)	X		
Makhbul and Mohamad (2010)		X	X
Dvorsky et al. (2023)	X		
Burns (2019)			X
Byron and Post (2016)			X
Carter et al. (2010)		X	
Connell (2021)	X		
Politis (2003)	X		X
Prügl and True (2014)		X	X
Ramadani et al. (2017)	X	X	
Shao et al. (2016)		X	
Sorenson (2000)	X		X
Tarabishy et al. (2005)		X	X

3. Results and discussion

The results mentioned in **Table 1** represent the leader's role in promoting diversity by means of effective communication, better decision-making, and emotional intelligence. It is observed that the researchers mentioned that the use of effective communication is a tool that is expected to help businesses understand the need to have a diversified employee base. Past researchers (Connell, 2021; Dvorsky et al., 2023; Mahajan, 2011; Politis, 2003) have also mentioned that using direct and open communication increases the ability of leaders to help the employees and organizational management to understand and align towards the needs of implementing and sustaining diversified workforce. If leaders fail to make the management realize the importance of adopting diversity in the organization, then it would have a negative impact on business performance. In terms of business success, it is required that leaders should be able to have better decision-making ability while promoting gender diversity. The decision-making will focus on the practices and approaches adopted by the leaders, which can help the business manage its goals. It is expected that when leaders are given the ability to focus on effective decision-making, they will also make the employees part of the decision-making. It is also part of the transformational leadership style in which the employee will remain motivated for the long run, and achieving success will not be an issue. It is observed in **Table 1** that the factor of emotional intelligence is also often observed in past research with regard to

the implementation of gender diversity policies in businesses. It is evident that understanding the emotions and feelings faced by the employees is essential to prevent their problems from occurring, which leads to job dissatisfaction and so on. Such employee problems are due to the lack of emotional intelligence of the leaders. Leaders should be emotionally intelligent so that they can easily relate to the issues of gender inequality faced by employees. The understanding of the issue itself is enough, and only leaders are emotionally intelligent enough to assess such gender diversity issues and their relative impact on employee satisfaction. Therefore, this literature study proposes the conceptual framework as in **Figure 6**.
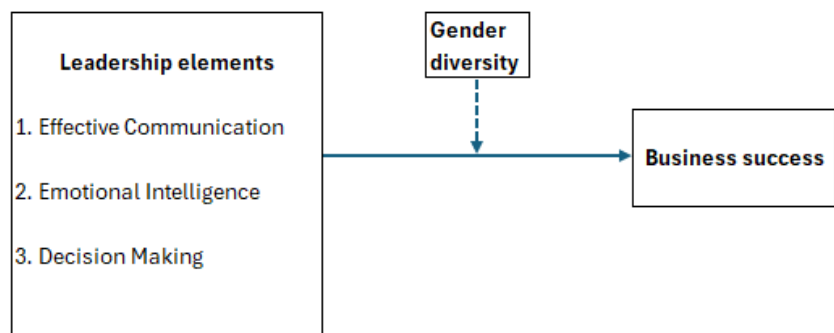
Figure 6. Conceptual research framework.

4. Discussion

The research mentioned that it is necessary for leaders to focus on adopting practices that can promote gender diversity. It is essential for future research to conduct qualitative research in which an in-depth analysis can be made about the adoption of gender diversity by businesses using the elements of EC, EI, and DM. This would help leaders working in different business segments change their perspective on gender diversity to achieve business goals.
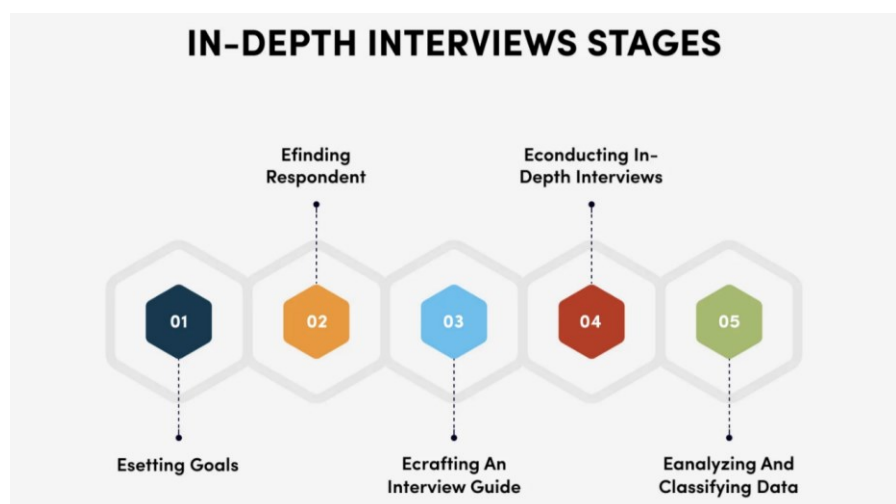
Figure 7. In-depth interviews for future research (Wang et al., 2021).

The concept of diversity is challenging to understand, and thus, for leaders, it is recommended to engage in constant communication not only with the management but with the employees as well. If the leaders are able to open up communication

pathways with the employees, it will help them understand their perspective on the presence of gender diversity in the organization. It is thus essential that for future studies, employees should also be the targeted population, and their satisfaction with the leaders should also be assessed in terms of gender diversity. The employees should be interviewed regarding their expectations from the leaders in adopting gender diversity steps so that an analysis of the expectation gap will also be developed, which can help in making future decisions in businesses. A proposed interview structure is shown in **Figure 7**.

5. Conclusion

The analysis of the leadership role in managing gender diversity and its impact on business growth concludes that it is valid that if leaders play a positive role in implementing gender diversity, businesses will be successful. It is concluded that for firms, gender diversity can only be implemented if there is effective communication (EC) in place. The analysis also represents that for businesses to succeed, it is equally important that leaders possess high emotional intelligence (EI) to understand the issues faced by people in terms of diversity. It is also concluded that the high emotional intelligence (EI) of a leader will make a positive impact on the organizational culture as well, and equal opportunities will be given. Lastly, it was concluded that when a leader understands the need for diversity, then the long-term vision can help in making effective decisions. Effective decision-making (DM) by leaders can help implement diversity in the business without any resistance. It is suggested that for future research, the personal traits of the leaders that can promote the adaptation of gender diversity should be added for a better understanding of the concept.

Implications

This research is beneficial because it would help businesses understand the reason for promoting diversity. The findings of this research can act as a benchmark for businesses, helping them understand ways through which implementing diversity can make an impact on their success and growth. Conducting this research would also be helpful for businesses to implement practices with high emotional intelligence and use effective communication because both these components can help them make effective decisions. The paper contributes to the business success and growth literature pool by looking at predictors from a different perspective by having effective communication, emotional intelligence, decision making and gender diversity, which were not undertaken previously.

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