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Chapter 8

Transformational Leadership and Organizational Culture: Keys to Binding Employees to the Dutch Public Sector

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Additional information is available at the end of the chapter

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Abstract

In response to the growing ethnic and cultural diversity in Dutch society and its labor market, public organizations in the Netherlands are increasingly crafting diversity policies and conducting diversity interventions. Little is known, however, about the effectiveness of interventions that are used to improve employee engagement in the public sector. This chapter discusses the influence of diversity interventions related to the binding of employees with Dutch public organizations with an emphasis on the role of leadership and organizational culture. This chapter concludes that transformational leadership and organizational culture are the keys to the binding of employees to the public sector in today's diverse Netherlands. An inclusive organizational culture in which there is a room for diversity is decisive for the success of interventions used in public organizations. It also appears that managers of these organizations play a critical role. The effect of diversity interventions on the binding of employees with their organizations appears to be less when the manager uses a transformational leadership style. This demonstrates the importance of an inclusive organizational culture and a people-oriented transformational leadership style in the Dutch public sector.

Keywords: diversity intervention, transformational leadership, organizational culture, public sector, binding, the Netherlands

1. Introduction

Partly due to sociocultural and demographic developments in the society, the diversity of the Dutch workforce is changing. As of 2018, the number of people with a migration background in the Netherlands is over one-fifth of the total population (22.6%). Ten years ago, it was 16%, and the non-Western group has increased in particular because of higher birth rates and

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marriages from their country of origin. The five largest migrant groups in the Netherlands today are Turkish, Moroccan, Indonesian, German, and Surinamese. About 26% of those 25 years and younger have a migration background [1]. The participation of women in the labor market has also increased in the recent decades. All these changes have repercussions on the composition of the staff in public organizations. Because of its exemplary role as the largest employer of about 1 million employees, the Dutch public sector has devoted an increasing amount of attention to promoting diversity since the 1980s. At that time, the need arose to eliminate the disadvantages faced by minorities in education and labor market and to prevent unequal treatment, prejudice, and discrimination [2].

The diversity policy of the public sector has long been characterized first and foremost by striving for a workforce composition balanced by gender, ethnic origin, and age [3]. Over the past four decades, numerous diversity interventions have been aimed at the intake, transfer, and retention of employees of non-Dutch origin in public organizations [4–5]. However, these interventions did not significantly increase the proportion of immigrants working in public organizations. Their share of public administration positions—despite all the various initiatives and policies—increased only slightly over 15 years, from 4% in 1999 to 6.5% in 2014 [2]. Part of the cause is the higher outflow among employees of non-Western origin from public organizations than their colleagues of Dutch descent. One popular argument is that employees with a migrant background do not feel at home in these organizations, while another is the lack of transfer possibilities to higher positions in public organizations [6–7]. Binding with the organization they work in is, therefore, considered to be an important objective of the diversity policy of the Dutch public sector.

Around the turn of the millennium, thinking about diversity in the Netherlands began to shift from a target group policy focused on eliminating inequities in the labor market to a business case approach [2, 8]. The business case for diversity is defined as the creation of various insights, knowledge, and skills achieved by taking advantage of differences between people. The idea is that this variety can provide more creativity and better results in teams and organizations [9]. Diversity includes visible and nonvisible differences, such as norms, values, convictions, needs, working styles, and personal characteristics [10] and can become commonplace in the workforce.

However, we know little about the effectiveness of the diversity interventions used within the Dutch public sector [11–13]. This chapter aims to examine how the various interventions influence the binding of employees with an emphasis on the role of the manager and the organizational culture, as both are seen as essential conditions to the identification and binding of employees with an organization [14–17]. The underlying motives for an organization to increase diversity and implement diversity policies are discussed along with the theories on which they are based. These motives are considered to be decisive in the desired effects being achieved within an organization [13, 18].

2. Theoretical perspectives

Several theories explain the motives of organizations in conducting diversity policy [18–20]. Ely and Thomas [19] distinguish three diversity perspectives: discrimination and fairness,

access and legitimacy, and integration and learning. These perspectives connect diversity with the equality, legitimacy, and productivity, respectively, of the organization.

2.1. Diversity perspectives and interventions

The discrimination and fairness perspective, also called the justice perspective, takes as a moral starting point the principle that everyone is equal and must be treated equally. Differences within an organization are mentioned and emphasized as little as possible, and the explicit effect of diversity on the functioning of the organization is downplayed. This perspective focuses on providing equal opportunities for recruitment and promotion and on the suppression of prejudice and discrimination toward minority groups [21]. Organizations adopting this perspective do so out of a moral duty to reflect a just society [22] and to obtain legitimacy and public credibility [23]. The "target group" policy was developed from this perspective on diversity; it involves offering equal opportunities in recruitment and promotion to promote the proportional representation of different sociodemographic groups in organizations [24]. A vivid of an example of this kind of intervention is the use of target figures or quotas to improve the influx, promotion, and retention of target groups such as women, immigrants, and the elderly and young people [25]. This kind of intervention has been part of standard Dutch government policy since 1994.

The access and legitimacy perspective is based primarily on the opportunities that diversity offers for the market, such as gathering knowledge about different groups in society and finding links and ties with them. It is about increasing the legitimacy and recognizability of organizations among certain ethnic groups, based on the realization that the market in which organizations are active is becoming increasingly ethnically diverse. Organizations respond to this development by increasing the diversity of their staff in order to gain better access to and gain legitimacy among various groups in the market; in short, they can better meet the needs of customers and clients [19, 26]. The underlying idea is that people with a given background are more likely to understand and communicate effectively with those who share that background. Organizations aim to benefit by creating more connections between their employees and the public. A typical intervention from the access and legitimacy perspective is the diverse composition of selection teams to recognize the qualities of applicants with different backgrounds [27] and make recruitment policy and its execution as value-free as possible [28]. The focus of the "diverse composition of selection teams" intervention involves the use of both men and women and those with both native and migrant backgrounds in the selection process to increase the recognition of the qualities of diverse talent. This approach can help counter the often-observed tendency of organizations and those who work at them to select candidates who are similar to them or their current employees.

The integration and learning perspective relates to organizational processes. Organizations that operate from this perspective strive for diversity in their workforce on the premise that such differences contribute to creativity, innovation, and better products and services and can thus improve organizational performance [29]. Diversity is seen as an internal source of productivity because the knowledge, insights, and skills of employees from different ethnic or cultural groups are better utilized in practice. Organizations that strive for diversity from the

integration and learning perspective might employ these insights into reevaluate and possibly adapt their own work processes, culture, and core tasks. Differences in ethnic background and the various visions that arise from them are regarded as learning moments. Within the public sector, there have been limited interventions based on the integration and learning perspective. Some interventions are trajectories aimed at creating an open culture and explicitly appreciating the diversity in organizations [27].

2.2. The relationship between the diversity interventions and the binding of employees

Both the access and legitimacy and the integration and learning perspectives regard diversity as adding value to organizational performance. From the discrimination and fairness perspective, such differences do not matter, and the starting point is that employees must adapt to the organization, with the risk that employees feel unappreciated or disrespected [19]. It is, therefore, to be expected that interventions related to the access and legitimacy and the integration and learning perspectives will have a more favorable effect on the binding of employees with the organization than interventions related to the discrimination and fairness perspective.

2.3. Influence of inclusive organizational culture

An inclusive organizational culture means that all employees feel involved in the organization, regardless of age, gender, or cultural background; they are valued for who they are [30]. The inclusiveness of the organizational culture has been associated with positive work-related outcomes, such as greater well-being in teams, higher employee satisfaction, and more productivity and confidence in the workplace [31]. An organizational culture in which there is no openness and appreciation of differences can lead to a decline in employee involvement in and motivation for work and the organization itself [32].

In addition to the fact that employee ties are connected with the organizational outcomes noted above, there is evidence in the literature about a direct influence of the inclusiveness of an organization's culture on involvement and retention among its employees. It has been shown that openness and appreciation for diversity in the organization are accompanied by more involvement among employees [33]. Specifically, it appears that affective involvement is related to inclusiveness within the organization [34]. In addition, we know from the research that an inclusive organizational culture can limit the departure and intention to depart of employees [35]; similarly, an open organizational culture has been reported to have a positive influence on the binding of employees with the organization [10, 36]. Thus, the inclusiveness of the organizational culture can have a mediating role in the relationship between the policy interventions and the binding of employees.

2.4. Influence of leadership

In the literature, the role of managers and leaders is receiving increased attention in connection with employee performance in both public and private organizations. In addition to influencing the attitude and behavior of employees, they play a significant role in the implementation

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of human resources management (HRM) policy in an organization [37]. The precise ways that managers exert influence depend on their leadership style. Several styles of and roles in leadership have been reviewed in the literature [38]; this study focuses on transformational leadership. A transformational leader is charismatic, recognizes differences, puts the individual at the center, and increases employee motivation, trust, and satisfaction by bringing people together and changing their thinking [39]. Transformational leadership fits in well with managing diverse groups [40]. Managers who practice this style of leadership are more willing to take risks to solve problems and exploit opportunities proactively. As a result, they have a more forward-looking vision. Due to the focus that a transformational manager places on motivating, inspiring, and developing employees, this leadership style has been characterized as people-oriented [39].

Leadership style can also have a direct influence on the binding of employees. Managers with a transformational leadership style have a sharper eye for individual characteristics and will use those traits to encourage and motivate employees [38, 40]. Moreover, the emphasis is on finding new ways of working and using different perspectives to find solutions to problems [41]. Because managers implement the day-to-day practice of diversity policy and share the vision behind it, it is reasonable to expect that the relationship between policy choices and outcomes is stronger in the context of a transformational leadership style. The expectation is that the presence of a transformational leadership style will lead to more employee engagement with the organization. It is also supposed that a transformational leadership style will strengthen the relationship between diversity interventions and employee engagement with the organization.

3. Methodology of the research

The research reported was carried out using a "flash panel" of government employees that is maintained under the authority of the Dutch Ministry of the Interior and Kingdom Relations. Employees who participate in the flash panel are invited once every 2 months by E-mail to participate in a web survey lasting a maximum of 10 minutes. The employees in the flash panel cohort are representative of the workforce of the entire public sector. The flash panel contains respondents' E-mail addresses, sector of employment, position, job grade, gender, year of birth, and education level. The participants in a given survey are selected once every 2 months for research using a regional test from the overall flash panel of 35,000 employees. As a check, each study asks whether the panel member is still working in the sector, which helps keep the panel file up to date. This large-scale survey was conducted from 12 to 26 April 2011; 27,167 employees were invited. Responses were received from 11,557 employees, a response rate of 42.5%. Only respondents who had no missing scores on the variables were used in the research reported here. After removing those respondents, 4310 respondents remained, which is a final response rate of 16%. The relatively high proportion of missing scores was due to the unfamiliarity of the respondents with the diversity interventions presented. How the concepts central to this research were operationalized is detailed below.

3.1. Diversity interventions

Different perspectives on diversity can favor varied interventions. For this reason, the three most used interventions in the various diversity perspectives were presented to the respondents (see **Table 1**).

The first intervention can be placed under the discrimination and fairness (D&F) perspective because they aim to increase members of minority groups in the organization. The second intervention arises from the access and legitimacy (A&L) perspective and is designed to help the organization better reach specific target groups. The last intervention refers to the integration and learning (I&L) perspective, where learning about diversity is central.

Respondents were asked to indicate whether an intervention was present in their organization by using one of three answer options: (1) "Yes," (2) "No," and (3) "Do not know." Answers of "Do not know" are not included in the analysis below. They are classified as missing because no conclusions can be drawn about a group that does not know which interventions are used by their organization. Subsequently, dummies were created for each of the interventions: 0 = not present and 1 = present.

3.2. Binding

To measure the binding of employees within an organization, questions were asked to respondents about *affective commitment* and retention of employees. Affective involvement is an emotional bond that the employee has with his or her organization and is formed by personal and structural characteristics and work experience [42]. In addition, employees who identify themselves with the organization are more involved in the organization and motivated to commit to achieving organizational goals [43–44]. To measure affective commitment, a validated scale from previous research was used [44]. It consists of the following three statements: (1) "I feel like part of the family in my organization," (2) "My organization has a great deal of personal meaning for me," and (3) "I feel a strong sense of belonging to my organization." Respondents indicated using a five-point Likert scale the extent to which they agreed with each statement, with being (1) "Strongly agree" and (5) "Strongly disagree." To better interpret the output of the analyses, the scores have been recoded to

	Diversity interventions	**Diversity perspectives**		
		D&F	**A&L**	**I&L**
1	Target figures regarding the inflow and throughflow of specific groups (such as men or women, elderly or young people, or immigrants or autochthonous people) in the organization.	x		
2	The diverse composition of selection teams to recognize qualities in applicants with different backgrounds.		x	
3	Trajectories aimed at creating an open culture and the appreciation of diversity.			x

Table 1. Diversity interventions and perspectives.

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(1) "Fully disagree" and (5) "Fully agree"; the higher the scores, the higher the commitment of employees. The Cronbach's α of this scale was 0.91.

The *departure intent* of employees is an important outcome to measure because it reflects whether employees are thinking of leaving an organization. Employee departure intentions were measured by presenting them with the following statement: "I intend to look for work at another organization in the coming year" [25]. The respondent used a five-point Likert scale to indicate the extent he or she agreed with the statement was (1) "Strongly agree" and (5) "Strongly disagree." To include this variable in the analysis, a dummy was subsequently made, with the original scores (1) "Strongly agree" and (2) "Somewhat agree" indicating that the respondent was inclined to depart and the other scores indicating that the respondent was not inclined to leave. The dummy variables were 1 = not inclined to leave and 0 = inclined to leave; as to binding, 1 means a high connection with the organization and 0 means a low connection with the organization.

3.3. Inclusive organizational culture

To measure the inclusiveness of an organization's culture, an existing set of six previously unvalidated questions was used by the national government in employee satisfaction surveys to gain an insight into the degree of perceived inclusiveness and social safety among employees. These six questions were derived from five key questions posed by the oil company Shell to determine the degree of inclusiveness their employees felt [45]. Because these issues relate to the extent to which employees feel valued and secure within their organization, we speak here of inclusive organizational culture, which, after all, involves the combination of safety [46–47] and appreciation [48].

The six statements in **Table 2** about inclusive organizational culture (IC) were presented to the respondents.

In the original questionnaire, a five-point Likert scale was used for responses ranging from (1) "Strongly agree" to (5) "Strongly disagree." In order to better interpret the output of the analyses, the scores have been recoded to (1) "Fully disagree" and (5) "Fully agree." The higher the scores, the more the organizational culture was perceived as inclusive. The Cronbach's α of this scale was 0.90.

IC1	Where I work, I am treated with respect
IC2	I can openly express my opinion without fear of negative consequences
IC3	My organization has a working environment, where different ideas and perspectives are valued
IC4	My organization is free of discrimination
IC5	My organization is free of intimidation
IC6	The decisions made by managers about employees are fair

Table 2. Statements for inclusive organizational culture (IC).

TL1	My leader considers my needs over his or her own needs
TL2	I trust my leader
TL3	My leader is consistent in conduct with underlying ethics, principles, and values
TL4	My leader emphasizes the importance of having a collective sense of mission
TL5	My leader behaves in ways that stimulate individual and team spirit
TL6	My leader behaves in ways that motivate by providing meaning and challenge to employees' work
TL7	My leader stimulates being innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways
TL8	My leader seeks different points of view when solving problems
TL9	My leader suggests new ways of working and different perspectives
TL10	My leader recognizes individual differences in terms of needs and desires
TL11	My leader helps employees to develop their strengths
TL12	My leader pays attention to each individual's need for achievement and growth by acting as a coach or a mentor

Table 3. Propositions for transformational leadership (TL).

3.4. Transformational leadership

Respondents were asked about the direct supervisor's leadership style. The items on transformational leadership (TL) are derived from the operationalization of Bass et al. [41]. Respondents indicated on a five-point Likert scale the extent to which they agreed with each statement, with being (1) "Strongly agree" and (5) "Strongly disagree." The propositions are provided in **Table 3**.

The Cronbach's α of this scale was 0.96. Finally, two control variables were included in the study: the ethnic origin and gender of the respondent.

4. Results

The SPSS and AMOS programs were used for the statistical analyses. The Cronbach's αs, averages, standard deviations, and correlations of the research variables are presented in **Table 4**. The "trajectories for an open culture" intervention was the most frequently observed by the respondents. The "diverse composition of selection teams" and "projects for an open culture" diversity interventions correlated positively with organizational culture. Organizational culture correlated positively with the commitment of employees. From the correlations, it can also be argued that transformational leadership is related to the two policy interventions (diverse selection teams, routes for open culture), the organizational culture, and the binding of employees (retention, affective commitment). The scales of transformational leadership and organizational culture appear to correlate highly (0.66), which can partly be attributed to the items of transformational leadership that relates to diversity (TL7, TL8, and TL10).

	α	*M*	*SD*	1	2	3	4	5	6	7	8	9
1. Target figures	—	0.32	0.47	1								
2. Diverse selection teams	—	0.22	0.41	0.34**	1							
3. Routes for open culture	—	0.37	0.48	0.33**	0.36**	1						
4. Inclusive culture	0.90	3.58	0.92	0.02	0.15**	0.22**	1					
5. Affective commitment	0.91	3.98	0.98	0.08**	0.15**	0.21**	0.49**	1				
6. Retention	—	3.8	1.37	0.13	0.05**	0.11**	0.23**	0.29**	1			
7. Transformational leadership	0.96	3.41	0.95	0.09**	0.19**	0.23**	0.26**	0.47**	0.25**	1		
8. Ethnicity	—	0.08	0.27	0.01	−0.01	−0.01	−0.03**	−0.02*	−0.03**	−0.02	1	
9. Gender	—	0.41	0.49	−0.08**	−0.03*	−0.06**	0.00	0.00	−0.02	0.00	0.03**	1

*Correlations are significant at the .01 level (2-tailed).
**Correlations are significant at the .05 level (2-tailed).

Table 4. Cronbach's αs, averages (M), standard deviations (SDs), and Pearson correlations.

4.1. Structural equation modeling analysis

Using AMOS, structural equation modeling (SEM) analysis was applied to the data. SEM analysis is a quantitative statistical method that combines two statistical analyses, path analysis and factor analysis. The scales constructed for organizational culture, affective commitment, or transformational leadership were not used directly; instead, the variables were re-estimated in measurement models with the help of confirmatory factor analysis (CFA).

The first model with affective commitment as an outcome measure showed the following goodness-of-fit statistics: $\chi^2 = 7909.50$, $df = 291$, $p < 0.00$, $\chi^2/df = 27.18$; comparative fit index (CFI) = 0.90; and root mean squared error of approximation (RMSEA) = 0.08. Because of the high N, χ^2 was not a good measure to determine the fitness of the model. The CFI and RMSEA values show the extent to which the model fits the data [49]. The CFI did not meet the requirement of a value of > 0.95, and the RMSEA did not meet the threshold value of <0.06 [49, 50]. As a result, it could be argued that improvements could still be made in the model. For example, some interference variances were found to correlate with one another, indicating that the relevant items had unexplained variance in common. For the leadership scale, this was the case for the variances of the items belonging to the intellectual stimulation dimension (items TL7, TL8, and TL9) and two items of the individualized consideration dimension (items TL11 and TL12). In addition, two items (IC4 and IC5) of the inclusive culture scale had unexplained variances in common. This second model showed a better fit, with $\chi^2 = 4288.16$, $df = 286$, $p < 0.00$, $\chi^2/df = 14.99$, CFI = 0.95, RMSEA = 0.06. The model with retention as the dependent variable showed the following goodness-of-fit measures: $\chi^2 = 3701.17$, $df = 240$, $p < 0.00$, $\chi^2/df = 15.42$, CFI = 0.95, RMSEA = 0.06; they also fulfilled the fitness requirements of a model [50].

The CFA conducted for the organizational culture, transformational leadership, and affective engagement variables showed that all those variables contributed significantly ($p < 0.00$) and

that all factor loads were above 0.5. The factor loads and standardized path coefficients representing the strength of the relationship between the variables are shown in **Table 5**. The results for the model with retention as the dependent variable are presented in **Table 6**.

The policy "target figures" intervention (discrimination and fairness perspective) had a very weak negative relationship with the entrenched inclusive culture ($\beta = -0.03$, $p < 0.01$). One explanation may be that the use of target figures underlines differences in organizations and can thus increase categorization [19]. This can limit the degree to which an organization's culture is perceived as inclusive and, as a result, the extent to which people feel themselves involved in the organization. The "trajectories aimed at creating an open culture and appreciation of diversity" intervention (integration and learning perspective) had a weak positive effect ($\beta = 0.08$, $p < 0.00$) on organizational culture, but the "diverse composition of selection teams" policy intervention (access and legitimacy perspective) did not have a significant relationship with the organizational culture in this model. Based on these findings, it can be stated that there is a negative relationship between the "target figures" intervention and an inclusive organizational culture and a positive relationship between the "creating an open culture" intervention and an inclusive organizational culture.

An inclusive culture appears to play an important role in increasing employees' binding with the organization; it has a direct positive influence on the affective commitment ($\beta = 0.39$, $p < 0.00$) and a positive influence on the retention ($\beta = 0.18$, $p < 0.00$) of employees. As employees experience an organizational culture in which they feel valued and secure within the organization, the binding between them and the organization increases. These results show that an inclusive organizational culture is an important factor in employee commitment.

The "target figures" intervention had a direct but a very weak positive effect on the affective commitment of employees ($\beta = 0.03$, $p < 0.05$) and a very weak negative indirect effect ($\beta = -0.01$, $p < 0.01$) through an inclusive organizational culture. The reason for the direct positive effect of target figures on affective commitment is not immediately obvious. Perhaps the pursuit of targets has a positive effect at least in the organization, but the elaboration of the policy was ultimately not significant because this policy negatively affected the inclusiveness of the organizational culture. The "trajectories aimed at creating an open culture and appreciation of diversity" intervention (integration and learning perspective) had a directly weak positive effect on the affective commitment of employees ($\beta = 0.05$, $p < 0.00$). For this intervention, a weak indirectly significant positive effect via organizational culture applied to the affective commitment of employees ($\beta = 0.03$, $p < 0.00$).

In addition, the "diverse composition of selection teams" policy intervention (access and legitimacy perspective) had no direct or indirect effect on the affective commitment of employees. An inclusive culture, therefore, appears to have a mediating role in the relationship between policy interventions and employee engagement. This only applies to the "target figures" and "creating an open culture" interventions and the affective commitment of employees.

The results of the SEM analysis (see **Table 6**) show that none of the interventions have a significant direct effect on the retention of employees. The effect of these interventions on retention is likely explained entirely by their contribution to the inclusiveness of the

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Standardized regression effects			
Measurement paths			
IC1	←	Inclusive culture	0.81^{NA}
IC2	←	Inclusive culture	0.87^{***}
IC3	←	Inclusive culture	0.85^{***}
IC4	←	Inclusive culture	0.55^{***}
IC5	←	Inclusive culture	0.73^{***}
IC6	←	Inclusive culture	0.81^{***}
TL1	←	Transformational leadership	0.68^{***}
TL2	←	Transformational leadership	0.88^{***}
TL3	←	Transformational leadership	0.85^{***}
TL4	←	Transformational leadership	0.72^{***}
TL5	←	Transformational leadership	0.88^{***}
TL6	←	Transformational leadership	0.84^{***}
TL7	←	Transformational leadership	0.79^{***}
TL8	←	Transformational leadership	0.82^{***}
TL9	←	Transformational leadership	0.72^{***}
TL10	←	Transformational leadership	0.84^{***}
TL11	←	Transformational leadership	0.82^{***}
TL12	←	Transformational leadership	0.83^{NA}
B1	←	Affective commitment	0.81^{NA}
B2	←	Affective commitment	0.90^{***}
B3	←	Affective commitment	0.93^{***}
Structural paths			
Inclusive culture	←	Target figures	-0.03^{**}
Inclusive culture	←	Routes for open culture	0.08^{***}
Inclusive culture	←	Diverse selection teams	0.02
Affective commitment	←	Target figures	0.03^{*}
Affective commitment	←	Routes for open culture	0.05^{***}
Affective commitment	←	Diverse selection teams	0.03
Affective commitment	←	Inclusive culture	0.39^{***}
Affective commitment	←	Gender (female)	0.01
Affective commitment	←	Ethnic origin (minorities)	−0.01
Affective commitment	←	Transformational leadership	0.21^{***}
Inclusive culture	←	Transformational leadership	0.72^{***}
Inclusive culture	←	Gender (female)	−0.02
Inclusive culture	←	Ethnic origin (minorities)	−0.02

Standardized regression effects			
Indirect effects			
Affective commitment	←	Inclusive culture←Target figures	−0.01**
Affective commitment	←	Inclusive culture←Routes for open culture	0.03***
Affective commitment	←	Inclusive culture←Diverse selection teams	0.01
Affective commitment	←	Inclusive culture←Transformational leadership	0.28***
R^2	Inclusive culture		0.52
R^2	Affective commitment		0.32

Note: $N = 4.310$; *$p < 0.05$; **$p < 0.01$; ***$p < 0.00$; NA = not applicable (set parameter).

Table 5. Results of SEM analyses of affective commitment.

Standardized regression effect			
Measurement paths			
IC1	←	Inclusive culture	0.81NA
IC2	←	Inclusive culture	0.87***
IC3	←	Inclusive culture	0.85***
IC4	←	Inclusive culture	0.55***
IC5	←	Inclusive culture	0.73***
IC6	←	Inclusive culture	0.81***
TL1	←	Transformational leadership	0.68***
TL2	←	Transformational leadership	0.88***
TL3	←	Transformational leadership	0.85***
TL4	←	Transformational leadership	0.72***
TL5	←	Transformational leadership	0.88***
TL6	←	Transformational leadership	0.84***
TL7	←	Transformational leadership	0.79***
TL8	←	Transformational leadership	0.82***
TL9	←	Transformational leadership	0.72***
TL10	←	Transformational leadership	0.84***
TL11	←	Transformational leadership	0.82***
TL12	←	Transformational leadership	0.83NA
Structural paths			
Inclusive culture	←	Target figures	−0.03**
Inclusive culture	←	Routes for open culture	0.08***

Standardized regression effect			
Inclusive culture	←	Diverse selection team	0.02
Retention	←	Target figures	0.0
Retention	←	Routes for open culture	0.01
Retention	←	Diverse selection teams	−0.0
Retention	←	Inclusive culture	0.18^{***}
Retention	←	Gender (female)	-0.05^{***}
Retention	←	Ethnic origin (minorities)	-0.05^{***}
Retention	←	Transformational leadership	0.21^{***}
Inclusive culture	←	Transformational leadership	0.72^{***}
Inclusive culture	←	Gender (female)	−0.02
Inclusive culture	←	Ethnic origin (minorities)	−0.02
Indirect effects			
Retention	←	Inclusive culture← Target figures	-0.01^{**}
Retention	←	Inclusive culture←Routes for open culture	0.01^{***}
Retention	←	Inclusive culture←Diverse selection teams	0.0
Retention	←	Inclusive culture←Transformational leadership	0.13^{***}
R^2	Inclusive culture		0.52
R^2	Retention		0.14

Note: $N = 4.310$; $^{*}p < 0.05$; $^{**}p < 0.01$; $^{***}p < 0.00$; NA = not applicable (set parameter).

Table 6. Result SEM analyses of retention.

organizational culture. The "target figures" intervention appears to have a very weak negative indirect effect through the inclusiveness of the organizational culture on the retention of employees ($\beta = -0.01$, $p < 0.01$). This means that the "target figures" intervention reduces the extent to which employees experience an inclusive culture, as a result of which the retention of employees is somewhat reduced. By contrast, the "trajectories aimed at creating an open culture" intervention has a very weak positive indirect effect, through the inclusiveness of the culture, on retention ($\beta = 0.01$, $p < 0.00$). This intervention promotes the extent to which employees experience an inclusive culture and contributes to the retention of employees.

Transformational leadership appears to be important for the binding of employees. The results showed that transformational leadership is strongly and positively connected with the affective commitment of employees ($\beta = 0.21$, $p < 0.00$) and strongly positively related to their retention ($\beta = 0.21$, $p < 0.00$). Moreover, a transformational leadership style is closely related to the inclusiveness of the organizational culture ($\beta = 0.72$, $p < 0.00$), and the results also showed a significant indirect effect of transformational leadership through inclusive culture on the affective commitment ($\beta = 0.28$, $p < 0.00$) and retention ($\beta = 0.13$, $p < 0.00$) of employees. This, again, emphasizes the importance of an inclusive organizational culture.

To focus more directly on the influence of transformational leadership, multivariate analyses were performed in SPSS, with affective commitment and retention as dependent variables. **Tables 7** and **8** present the results of the multivariate analysis of affective commitment and retention, respectively. In both tables, transformational leadership in the second model has been added to the analysis. To measure the interaction effect between diversity interventions and transformational leadership, interaction variables were created in the third model.

Table 7 confirms that transformational leadership has a strong positive effect on commitment ($\beta = 0.457$, $p < 0.001$). This means that the more a manager uses a transformational leadership style, the higher the commitment of employees. It can also be concluded that the influence of the intervention has weakened "diverse selection teams" ($\beta = 0.033$, $p < 0.005$) and "trajectories for creating an open culture" ($\beta = 0.081$, $p < 0.001$) by the inclusion of transformational leadership. Furthermore, Model 3 shows that there is only a weak and negative interaction effect between the transformational leadership and the intervention pathways ($\beta = -0.039$, $p < 0.05$). This means that the effect of the diversity interventions on employee commitment is not strengthened, as was expected, but in fact, it becomes weaker as managers show more transformational leadership.

	Model 1			**Model 2**			**Model 3**		
	β	**Std. Error**	**Beta**	***β***	**Std. Error**	**Beta**	***β***	**Std. Error**	**Beta**
Ethnic origin	−0.034*	0.015	−0.034	−0.023	0.013	−0.023	−0.022	0.013	−0.022
Gender	0.008	0.015	0.008	0.005	0.013	0.005	0.006	0.013	0.006
Preferential policy	0.028	0.021	0.024	0.030	0.019	0.026	0.029	0.019	0.025
Target figures	−0.006	0.022	−0.005	0.001	0.019	0.001	0.001	0.019	0.001
Specific groups	0.013	0.021	0.012	−0.018	0.018	−0.015	−0.016	0.018	−0.014
Diverse selection teams	0.081***	0.018	0.074	0.033*	0.016	0.030	0.038*	0.018	0.035
Networks	−0.021	0.020	−0.018	−0.004	0.017	−0.004	−0.001	0.018	0.001
Trajectories	0.178***	0.019	0.163	0.081***	0.017	0.074	0.090***	0.018	0.082
Training courses	0.026	0.019	0.023	0.010	0.017	0.009	0.009	0.017	0.008
Transformational leadership				0.457***	0.013	0.479	0.442***	0.014	0.463
Interaction between TL and diverse selection teams							−0.007	0.015	−0.007
Interaction between TL and trajectories							−0.039*	0.016	−0.037
Constant	4.067***	0.015		4.070***	0.014		4.083***	0.015	
R^2	0.219			0.512			0.513		
N	4.310			4.310			4.310		

Note: (*Z* scores) *$p < 0.05$; **$p < 0.01$; ***$p < 0.001$.

Table 7. Influence of interventions and transformational leadership on affective commitment (linear regression).

	Model 1			Model 2			Model 3		
	β	Wald	Exp (B)	*β*	Wald	Exp (B)	*β*	Wald	Exp (*β*)
Ethnic origin	−0.121***	12.949	0.886	−0.113**	10.446	0.893	−0.113**	10.297	0.894
Gender	−0.084*	5.036	0.919	−0.092*	5.537	0.912	−0.092*	5.559	0.912
Preferential policy	−0.001	0.001	0.999	0.001	0.000	1.001	−0.002	0.001	0.998
Target figures	−0.057	1.068	0.945	−0.052	0.798	0.950	−0.052	0.824	0.949
Specific groups	0.002	0.001	1.002	−0.044	0.645	0.957	−0.052	0.958	0.949
Diverse selection teams	0.100*	4.849	1.113	0.047	0.849	1.048	0.043	0.731	1.044
Networks	−0.016	0.092	0.985	0.008	0.023	1.008	0.005	0.010	1.005
Trajectories	0.211***	17.038	1.234	0.081	2.286	1.084	0.083	2.399	1.087
Training courses	0.026	0.263	1.026	0.004	0.005	1.004	0.003	0.004	1.003
Transformational leadership				0.599***	261.250	1.820	0.587***	207.811	1.799
Interaction between TL and diverse selection teams							−0.052	1.301	0.949
Interaction between TL and trajectories							−0.005	0.013	0.995
Constant	1.376***	1099	3.901	1.480***	1110	4.374	1.487***	1093	4.425
R^2	0.02			0.11			0.12		
N	4.310			4.310			4.310		

Note: (*Z* scores) *$p < 0.05$; **$p < 0.01$; ***$p < 0.001$.

Table 8. Influence of interventions and transformational leadership on departure intent (logistic regression).

Table 8 confirms that as transformational leadership increases, employees will be less inclined to leave the organization. As with commitment, the manager plays a crucial role in employee departure intention. Model 2 also shows that the influence of the "diverse selection teams" and "trajectories for the creation of an open culture" interventions disappears through the inclusion of transformational leadership.

5. Discussion and conclusions

There are several conclusions we can distill from this research.

5.1. Main conclusions

First, diversity interventions based on the legitimacy and creativity perspective promote an inclusive organizational culture and are therefore more effective for the binding of employees to the organization than interventions based on a target group policy. The "creating an open culture" intervention appears to strengthen the binding of employees with the organization. This intervention focuses on differences between employees and seeks to influence the

behavior of employees and, as a result, the culture within the organization. Inclusive organizational culture is thus an important condition for the commitment of employees to the organization. This confirms previous research showing that a culture with room for employee uniqueness positively influences binding [6, 10, 33, 36].

Second, a transformational leadership style influences the binding of employees within the organization. The role of the manager is of great importance and has a strong influence on employees' commitment and their willingness to leave the organization. The more a manager uses a transformational leadership style, the higher the affective commitment and the less employees intend to leave. This is explained by the fact that the transformational manager, directly and indirectly, influences the employee and is the interpreter of the organization's policies, including but not limited to its HRM policies. A transformational leadership style also ensures that attention is paid to individual differences. A manager with a transformational leadership style focuses on building trusting relationships with employees to motivate and inspire them. The manager takes a proactive approach to the organization's employees and tries to get the very best out of them. One requirement revealed by this research is that diversity policies must be structured so as to support managers. This is also necessary to reinforce a transformational leadership style in the organization.

Third, the effect of interventions on the binding of employees is reduced when the manager uses a transformational leadership style [14]. This indirectly affirms the previous conclusion. This research shows that managers have a key position in organizational effectiveness. The more a transformational leadership style is used, the stronger the commitment of employees to the organization, regardless of their ethnic or cultural background. Employees are already more involved in the organization and less inclined to leave it. Transformational leaders have an eye for differences in individuals that can benefit the organization. This result offers insights into the most desirable public service management qualities and contributes to the discussion about which style of management will best help the Dutch public sector manage and benefit from diversity.

Finally, this research concludes that a transformational leadership style can weaken the effect of interventions to promote the binding of employees with the organization, such as programs designed to create an open culture. This may occur because different characteristics of a transformational leader, such as responding to individual needs and promoting a better organizational climate, overlap with the theory and practice of a given diversity intervention.

5.2. Implications and recommendations

In any case, the research emphasizes the importance of interventions aimed at the role of managers and their leadership style in the binding of employees within the public sector.

Diversity is a reality, but inclusion is still a choice in organizations and societies. The essence of diversity is that differences are there! No one and no organization can ignore the differences among individuals. That is why diversity should be accepted as a matter of course. Diversity

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delivers new insights and innovations and brings quality and strength to organizations. But there is also a downside: diversity sometimes leads to problems and conflicts between people, even in organizations. It is not always and everywhere rosy. There is still much work to do to make diversity a standard feature of the workforce and daily life. In this chapter, some points of view are presented, along with paths and patterns that foster inclusion in organizations where everyone may be different.

One way to make diversity the most ordinary thing in organizations is to approach it from a system of values, meaning that everyone acts from deeper values such as freedom, equality, and mutual trust—the common values that are deeply rooted in society [8]. A focus on shared values can contribute to one's connection with one another, increase inclusion in organizations, and maximize talent utilization by embracing differences. More importantly, those values form the basis of organizational perspectives such as creativity, binding, and equality to stimulate diversity. When interventions are logically driven from these perspectives and underlying values, their effectiveness is bound to improve.

In summary, this study shows that an inclusive organizational culture and a transformational leadership style play a more important role in the binding of employees than the diversity interventions themselves.

5.3. Limitations of the research and future studies

These results also offer opportunities for further research into the interconnections among the effectiveness of interventions, a transformational leadership style, and an inclusive organizational culture. From the perspective of change management, the anchoring of diversity in the behavior and culture of people and organizations needs more attention. Diversity is not merely an issue of human resources management; it is a leadership issue and a part of the overall organizational development. Diversity is not an end in itself; the organization's ambitions are at the center, and the differences between people can contribute to realizing those ambitions. One necessary condition is a corporate culture where differences are recognized and embraced. This needs more in-depth research. In the public sector—not only in the Dutch example but also in the wider European context—diversity is not seen. If differences are seen, recognized, and given room, individuals can develop themselves more fully and can contribute more to the organization [8]. However, reality is stubborn. Think of the downside of diversity, such as conflicts that arise through differences between individuals and in the organizational context. Leadership is essential to allowing differences to flourish and increasing their added value contribution.

Conflict of interest

The data used in the chapter based on the dissertation research [2] carried out by the author Saniye Çelik.

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