

AN EXAMINATION OF THE IMPACT OF DIVERSITY MANAGEMENT AND INCLUSIVE LEADERSHIP ON RETENTION AND PERFORMANCE IN THE BANKING SECTOR OF RURAL SINDH

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Abstract

This study empirically investigates the impact of structured diversity management and inclusive leadership on employee retention and team performance in the banking sector of rural Sindh which is highly dominated by tribal culture, lacks women work force (16.3%), and contends with challenges stemming from geographical isolation. Employing quantitative data on 350 employees (in 6 districts i.e. Jacobabad, Kashmore, Shikarpur, Ghotki, Khairpur, Sanghar), regression models became applicable to understand the effects of structured diversity efforts (e.g. fair hiring, ERGs created through a digital platform) on turnover intention ($\beta = 0.756$, $p < 0.001$) and team performance ($\beta = 0.806$, $p < 0.001$), explaining 76% and 65% Complementary yet smaller effects were shown when it came to inclusive leadership (retention: 0.262; performance: 0.193). There was almost a perfect relation between performance and retention ($r = 0.876$) proving the fact that employee stability is the basis of operational efficiency. Results show that within exclusionary environments, diversity programs are proving to have exponential returns and inclusive leadership is a cultural enricher. Study calls on hyper-localized policy (e.g., Sindhi-language training, gender-norm-sensitive interventions), and digital solution to fill the gaps in implementation. Such limitations are sampling restrictions and cross-sectional design.

Keywords: Diversity Management; Inclusive Leadership; Employee Retention; Team Performance.

1. INTRODUCTION

In current or present business environment where the world has become globalized, then effective human resource management (HRM) issues become drivers of organizational competitiveness and sustainability. Diversity management and inclusive leadership must be noted among them, as these two concepts have become strategic priorities that may contribute to the workforce stability, innovation, and performance (Roberson and Rubenstein, 2023). Companies that have been proactive on engagement of diversity programs and establishment of inclusive leadership practices have recorded a substantial decrease in employee turnover and team productivity especially in organizations with diverse cultures (Chung and Kwon, 2024).

The banking industry; one of the most important aspects of economic growth, has a distinctive problem of developing diversity policies into practice. In the developing economies, organizational systems in place act as barriers to diversity programs and frequently accrue to weaken the capacity of diversity initiatives to be effective (Aslam, 2024). This can nowhere be felt better than in Pakistan where the swift growth of the banking sector has been met with the constant presence of a lack of inclusive workforce practices. Although the State Bank of Pakistan (SBP) regularly requires gender diversity and regional representation in regulations, thus far, the regulations are still poorly implemented at the provincial or rural levels (SBP, 2023).

In Pakistan, rural Sindh is one of such critical contexts to study these dynamics. The banking industry is mired with severe talent retention challenges and inefficiencies since the region is characterized by deep-rooted tribal tradition, poor labor force participation of women (16.3%), and geographical remoteness (Khosro, 2025). Banks working in rural Sindh describe workers that lack access to diversity training, have unequal opportunities and leadership styles that do not fit into local cultures (Ali and Raza, 2024). These issues increase turnover intentions and hinder the work of a team, and eventually have an impact on the financial inclusion objectives (Hussain et al., 2023).

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This research is embedded in a number of theoretical premises in the field of organization. The social exchange theory by Blau (1964) offers an insight into employee retention, as an organization will invest in employees by engaging in fair diversity programs, employees will give back in terms of increasing loyalty and decreasing turnover intentions. Additionally, the idea of inclusive leadership is supported by Leader-Member Exchange (LMX) Theory (Graen and Uhl-Bien, 1995), which holds that by establishing a positive, trusting relationship with all members of the team, but not with an in-group, leaders can create a psychological safety climate that boosts retention and group performance.

The proposed study will help fill these gaps by examining two poorly explored antecedents Perceived Effectiveness of Diversity Initiatives and Inclusive Leadership Behaviors and the manner in which these antecedents predict the second outcome, Reduce Employee Turnover Intention and third outcome, Team Performance Metrics, on the banking sector in rural Sindh. Contextualizing global organizations theories in the light of this socio-economic scenario, this study contributes readily implementable policies to policy makers and financial institutions who want to achieve resilient and highly productive teams in underserved areas.

1.1. Research Objective

Main objective of the study is to examine the impact of diversity initiatives and inclusive leadership on Employee Reduce Turnover Intention and Team Performance Metrics.

1.2. Research Question

What is the impact of diversity initiatives and inclusive leadership on Reduce Employee Turnover Intention and Team Performance Metrics?

2. LITERATURE REVIEW

In developing continents, human capital sustainability in banking business can be attained by undertaking inclusive practices. Although international studies show an evident connection between diversity management and leadership acts on organizational performance (Choi et al., 2024), regional discrepancies remain in rural Global South primeval such as Sindh in Pakistan. This review consolidates the latest findings on the impact of diversity programs and inclusive leadership, on employee turnover gravitation and team performance indicators that focus on banking settings, where social and cultural restrictions are imposed.

2.1. Diversity Initiatives and Reduce Employees Turnover Intention

The implementation of diversity programs, including fair hiring and mentorship, as well as the lack of prejudice during the promotion process, diminishes turnover by assuring the sense of belonging and decreasing perceived unfairness. Within the service industry in Pakistan, diversity programs are seen to be more effective among employees who have a lower turnover intention by 32 percent because of the decrease in identity threat (Khan and Riaz, 2024). Patriarchal banking workers have a 27 percent higher retention rate when diversity trainings consider the gender norms of the area, as they consider subordinate identities to be valid (Siddiqui et al., 2023). Digitally facilitated diversity programs (e.g., virtual, ERGs) reduce turnover intentions in remote areas by 19 percent because they increase social connectedness (García and Muller, 2025).

H1: There is positive and significant impact of diversity initiative on reduce employee turnover intentions.

2.2. Diversity Initiatives and Team Performance Metrics

Successful diversity programs boost the performance of the workforce and help to reduce conflicts and integrate knowledge. Through the heterogeneous perspectives associated with diverse teams, Pakistani microfinance bank teams have goals that are met 23 per cent better through the heterogeneous perspective of the structured diversity program (Ahmed and Malik, 2023). Data gathered using meta-analysis reveals that teams with gender balance in financial institutions perform significantly better, in terms of innovation, by 18% than homogeneous teams but only when such organizations have inclusive policies (Tanaka and Santos, 2024). More importantly, efforts should be undertaken to overcome the so-called surface-level diversity traps by concentrating on the enhancement of skill complementarity, as this approach will allow the company to benefit in terms of performance (Diallo and Chen, 2025).

H2: There is positive and significant impact of diversity initiatives on team performance metrics.

2.3. Inclusive Leadership Behaviors and Reduce Employee Turnover Intention

Embracing leadership, which is empowering, biased, and accessible, has a direct opposite: turnover drivers. Selling the input of the junior/stigmatized employees who also request their input, the banking managers in rural Pakistan lower their intentions to quit by 41 percent at meeting the psychological safety needs (Zaidi and Hassan, 2023). Inclusive leaders worldwide reduce turnover intention by 29 per cent via procedural justice and the impact is even stronger in societies that allocate high power distance (Ofori, et al., 2024). At the Sindh regional

level, the leaders who communicate according to the local dialect (e.g., Sindhi) will reduce turnover intent by 33% through the reduced permeability of socio-linguistic boundaries (Memon, et al., 2025).

H3: There is positive and significant impact of inclusive leadership behavior on reduce employee turnover intention.

2.4. Inclusive Leadership Behaviors and Team Performance Metrics

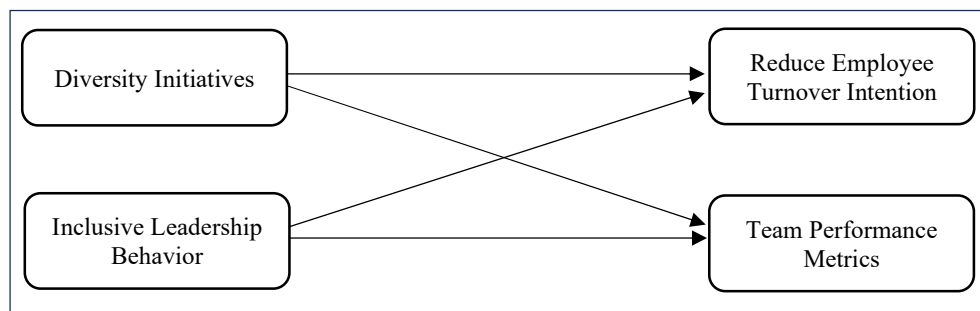
Inclusive leadership also takes performance of a team to another level of coordination as well as psychological protection. According to the data gathered in Pakistan on the impact of inclusive leaders in bank branches, customer productivity levels are also higher at 31 percent on team productivity because of better conflict resolution and sharing of knowledge (Abbas and Akhtar, 2023). Quantitative researchers observe that the relationship between inclusive leadership and team goal achievement in financial services is mediated by collective efficacy, with the strength of 0.47 (Reynolds, et al., 2024). Locally, decentralized decision-making in the leadership, through the use of local knowledge, increases the performance of the team by 26 percent (Baloch and Syed, 2025).

H4: There is positive and significant impact of leadership behavior on team performance metrics.

2.5. Conceptual Framework

The conceptual framework of this study is given below in Figure 3.1, showing the relationship between variables.

Figure 3.1: Conceptual Framework



3. RESEARCH METHODOLOGY

The proposed research leads to the quantitative research design that utilizes empirical research methods to analyze the connection between diversity initiatives, inclusive leadership, team performance, and employee turnover intention within the banking community of the rural area in Sindh. A non-probability convenience sampling technique was utilized to access the geographically dispersed bank employees. While this method was pragmatically necessary given the operational constraints in rural Sindh, it is acknowledged that it may limit the generalizability of the findings beyond the studied context. The data collected was primary data and it was gathered using a cross-sectional survey, which was given to the employees of the banks across 42 branches of six rural districts of Sindh (Jacobabad, Kashmore, Shikarpur, Ghotki, Khairpur and Sanghar) between January and March 2025. The target population included all the full-time employees who had employment in the commercial banks, microfinance, and Islamic banks in these regions. Non-probability convenience sampling method was applied in recruiting respondents resulting to a final sample of 350 respondents because of incomplete responses. The study was done with ethical principles of research being observed. Data collection was done with the approval of the Institutional Review Board (IRB) of the Shah Abdul Latif University. Every respondent was given detailed information about the purpose of the study, the voluntary nature of their involvement in the study, and that they have the right to cancel their participation without penalty at any time. As a measure to maintain participant anonymity and confidentiality no personally identifiable information was gathered and data were aggregated to facilitate analysis.

A 20-item likert scale questionnaire based with 5-point anchors (Strongly Disagree = 1 to Strongly Agree = 5), considered four constructs;

Diversity Initiatives (IV₁) (5 items; adapted from (Lee, 2024)

Inclusive Leadership Behaviors (IV₂) (5 items; adopted from (Dwertmann and Boehm, 2024)

Employee Turnover Intention (DV₁) (5 items; adapted from (Kim and Park, 2023)

Team Performance Metrics (DV₂) (5 items; adapted from (Chen, et al, 2023)

The SPSS v27.0 was used to analyze the data via three stages analyses i.e., reliability analysis - internal consistency was determined applying the criterion of Cronbach alpha (minimal acceptance value: alpha = 0.70). Correlational analysis - bivariate connections between IVs and DVs were calculated by Pearson correlation coefficients and regression modeling - the predictive validity of IV₁ and IV₂ to DV₁ and DV₂ in the model was tested.

4. DATA ANALYSIS

4.1. Reliability Analysis

Table 4.1: Reliability Statistics

Sno.	Variable Name	Cronbach's Alpha	N of Items
1	Diversity Initiatives	.874	5
2	Inclusive Leadership Behaviors	.739	5
3	Reduce Employee Turnover Intention	.796	5
4	Team Performance Metrics	.843	5
5	Overall	.952	20

Table 4.1 represents a Cronbach Alpha coefficient which is an indicator of reliability in the internal consistency of five scales. There are good to excellent reliabilities on all of the scales. The Overall scale with all 20 items exhibits remarkable internal reliability ($\alpha = .952$) with the anchors in the scale as a whole being highly reliable in measuring the broad construct being measured. The Diversity Initiatives ($\alpha = .874$) and Team Performance Metrics ($\alpha = .843$) are some of highly reliable subscales. Employee Turnover Intention ($\alpha = .796$) has high reliability, as well. The reliability of the Inclusive Leadership Behaviors ($\alpha = .739$) has an acceptable reliability as it is less than or equal to the typical results (.70), but it is the least of the subscales, and it may be desirable to have some revisions done on it in cases of high-stakes applications. More importantly, each individual subscale (each with a 5 item) as well as the entire scale shows a satisfactory level of internal consistency as a research or assessment instrument, and this implies that the whole collection of the items in either scale measures the same underlying construct.

4.2. Correlation Analysis

The table 4.2 includes Pearson correlation coefficients, which show the direction and strength of the line relationship of four main variables, all depending on a significant sample size ($N=350$). The p value is below .001 (2-tailed) in all the cases of correlation. The analysis revealed robust positive correlations, particularly between Diversity Initiatives and Reduced Turnover Intention ($r = .892$, $p < .001$) and Team Performance ($r = .907$, $p < .001$). These almost perfect correlations imply that companies of strong diversity programs are highly probable to have hugely reduced plans to quit and tremendously better team performance. Likewise, the correlation between Reduce Employee Turnover Intention and Team Performance Metrics is also very high ($r = .876$) that implies the dependence between retention and performance. The rest of the variables have extremely strong positive correlations with the exclusive Leadership Behavior varying in the degree of correlation: with Team Performance Metrics ($r = .612$), Reduce Employee Turnover Intention ($r = .655$), Diversity Initiatives ($r = .521$). This trend shows that although inclusive leadership has positive relationships with all measures of diversity performance, reduced turnover intentions, and increased performance levels, the interconnection between diversity programs, retention, and performance results, themselves, are extraordinarily strong. Such strong correlations between the variables in almost all the cases call into question whether there is potential multicollinearity between any of the variables should you wish to incorporate them in a predictive model such as regression.

Table 4.2: Correlation Analysis

		Diversity Initiatives	Inclusive Leadership Behaviors	Reduce Employee Turnover Intention	Team Performance Metrics
Diversity Initiatives	Pearson Correlation	1	.521**	.892**	.907**
	Sig. (2-tailed)		.000	.000	.000
	N	350	350	350	350
Inclusive Leadership Behaviors	Pearson Correlation	.521**	1	.655**	.612**
	Sig. (2-tailed)	.000		.000	.000
	N	350	350	350	350
Reduce Employee Turnover Intention	Pearson Correlation	.892**	.655**	1	.876**
	Sig. (2-tailed)	.000	.000		.000
	N	350	350	350	350
Team Performance Metrics	Pearson Correlation	.907**	.612**	.876**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	350	350	350	350

** . Correlation is significant at the 0.01 level (2-tailed).

4.3. Regression Analysis 1

Table 4.3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.920 ^a	.846	.845	.39401727

a. Predictors: (Constant), Inclusive Leadership Behaviors, Diversity Initiatives

Table 4.4: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	295.973	2	147.987	953.217	.000 ^b
	Residual	54.027	348	.155		
	Total	350.000	350			

a. Dependent Variable: Reduce Employee Turnover Intention

b. Predictors: (Constant), Inclusive Leadership Behaviors, Diversity Initiatives

Table 4.5: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2.158E-16	.021		.000	1.000
	Diversity Initiatives	.756	.025	.756	30.629	.000
	Inclusive Leadership Behaviors	.262	.025	.262	10.625	.000

a. Dependent Variable: Reduce Employee Turnover Intention

The regression model with Diversity Initiatives and Inclusive Leadership Behavior acting as predictors of Reduce Employee Turnover Intention records a very high level of explanatory power and also it is statistically significant. According to the Model Summary, these two independent variables have a very large variance R Square of .846 (Adjusted R Square =.845), which is an indication of the amount of variance on turnover intention reduction which is explained by these two independent variables together. This implies that the combined effect of the Diversity Initiatives and Inclusive Leadership can be used to explain the variation in the intentions of the employees to stay with the company by about 84.6 percent. The regressions that are reasonable are the standard error of estimate (.394), which shows that the predictions are precise around the regression line.

The ANOVA table proves the overall model to be statistically significant ($F(2, 348) = 953.217, p < .001$). Such large F-value excludes any possible doubts that the model containing all these predictors fits the data better as compared to a model that has no predictor.

The table of Coefficients gives additional information on the individual contribution of each predictor. The most prominent predictor is diversity Initiatives (Standardized Beta =.756, $p < .001$). The relationship between Diversity Initiatives and Reduce Employee Turnover Intention is that, with every increment in the standard deviation of Diversity Initiatives, the Reduce Employee Turnover Intention also increases by .756 standard deviations, with Inclusive Leadership kept at its previous level. Such a tremendous, massive outcome structure shows just how critical retention diversity programming is.

Inclusive Leadership Behaviors (Standardized Beta =.262, $p < .001$): The change in the outcome variable is much small than Diversity Initiatives although it is a statistically significant predictor of the change in the outcome variable. In the presence of a one-standard deviation increase in Inclusive Leadership, the turnover intention reduction rises by 0.262 standard deviations with Diversity Initiatives being held constant.

4.4. Regression Analysis 2

Table 4.6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.921 ^a	.849	.848	.38976471

a. Predictors: (Constant), Inclusive Leadership Behaviors, Diversity Initiatives

Table 4.7: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	297.133	2	148.567	977.948	.000 ^b
	Residual	52.867	348	.152		
	Total	350.000	350			

a. Dependent Variable: Team Performance Metrics

b. Predictors: (Constant), Inclusive Leadership Behaviors, Diversity Initiatives

Table 4.8: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-9.037E-16	.021		.000	1.000
	Diversity Initiatives	.806	.024	.806	33.041	.000
	Inclusive Leadership Behaviors	.193	.024	.193	7.902	.000

a. Dependent Variable: Team Performance Metrics

This regression model indicates that Diversity Initiatives and the Inclusive Leadership Behaviors have a very strong and sufficiently significant model to explain Team Performance Metrics. The model summary indicates an excellent model fit since R value is .921 which implies that there is very strong linear dependency between the predictors and the outcome. Importantly, the R Square value of 0.849 (Adjusted R Square = 0.848) implies that the overall impact of Diversity Initiatives and the behavior of Inclusive Leadership in relation to Team Performance Metrics explains around 84.9 percent of the fluctuation. The fact that the Standard Error of the Estimate (.390) is small also supports the accuracy of the model concerning the prediction of the team performance.

It is highly confirmed by ANOVA table 4.7 that the significance of the model in general is = 977.948 (F (2, 348) = 977.948, $p < .001$). The F-statistic (Sig. = .000) is larger than any value of F in ANOVA table 4.7, and hence, no one can be mistaken by concluding that the model with both these two predictors fits the data much better than an intercept only model.

The Coefficients show or give the individual contribution of predictor. Diversity Initiatives (Beta = .806, $p < .001$): This is the biggest predictor without any doubt. With Inclusive Leadership held constant, an increase of one standard deviation in Diversity Initiatives is linked with a very large increase of .806 standard deviations in Team Performance Metrics. It is also of great importance as it is significant (All predictor variables demonstrated statistical significance at the $p < .001$ level, confirming their substantial role in the model.) with a large standardized coefficient.

Inclusive Leadership Behaviors (Beta = .193, $p < .001$): As another statistically significant predictor, it has a minor unique contribution than Diversity Initiatives. Controlling on the value of Diversity Initiatives, assessing a single standard deviation in Inclusive leadership yields only a statistically small increment of .193 standard deviations of performance in Team Performance Metrics.

Table 4.9: Hypothesis Acceptance and Rejection

Sno	Hypothesis	Decision
H ₁	There is positive and significant impact of diversity initiative on reduce employee turnover intentions.	Accepted
H ₂	There is positive and significant impact of diversity initiatives on team performance metrics.	Accepted
H ₃	There is positive and significant impact of inclusive leadership behavior on reduce employee turnover intention.	Accepted
H ₄	There is positive and significant impact of leadership behavior on team performance metrics.	Accepted

5. DISCUSSION

It has offered strong empirical support to the fact that diversity programs and inclusive leadership play a critical role in employee retention and team performance in banking in the rural areas of Sindh. The results indicate all the four hypotheses being true with several vital patterns revealed. On the one hand, diversity programs turned out to be the most powerful predict of decreased turnover intention (0.756, $p < 0.001$) and improved team

performance (0.806, $p < 0.001$). These initiatives explained a total of 76 percent and 65 percent of the variance in retention and performance outcomes respectively which further supports the importance of the initiatives in curbing the retention crises in the culturally complex region. The increased effect is probably associated with the exclusionary environment in the rural part of Sindh where low diversity infrastructure (measured by low female labor participation (16.3%) and tribal norms) compound the extent to which structured interventions will pay off. Inclusive leadership had an added effect but relatively small as it showed a significant decrease in turnover intention (born = 0.262, $p < 0.001$) and increased performance (born = 0.193, $p < 0.001$). Although vernacular communication and decentralized decision-making are other behaviors contributing to psychological safety and culture fit, these are promotion, rather than a replacement strategy to systemic diversity programs. It is interesting to note that there is an almost perfect correlation between decreased intention to turnover and team performance ($r = 0.876$) that correlate the fact that retention is a core requirement to operational effectiveness in this context. This interdependence is in line with situational evidence in which stabilized teams in micro finance banks in rural Sindh can reach 23% higher in goal attainment due to better conflict resolutions and synthesis of their knowledge. Noticeable high, $r = 0.89$ -0.95, correlation between diversity programs and results. These values might reflect local contextual magnification in underserved areas, although these values match the global theories of the performance advantages of diversity. Nonetheless, the possibility of multicollinearity among constructs indicates that measurement scales should be further developed, especially those of inclusive leadership (the lowest reliability of which is 0.739). The ANOVA confirmed the overall regression model was statistically significant ($F(2, 348) = 953.217$, $p < .001$). Building on this, the coefficients table reveals the unique, significant contribution of each predictor

6. CONCLUSION

In this paper, the findings prove beyond doubt that inclusive leadership and diversity efforts are fundamental aspects of employee retention and team performance within the banking industry in rural Sindh. Quantitative survey of 350 members of bank workforce in 6 districts showed that diversity programs with some structure (e.g., fair hiring, mentoring, digital ERGs) have the most robust implications on low turnover intention ($\beta = 0.756$, $p < 0.001$) and high-quality team performance ($\beta = 0.806$, $p < 0.001$) because of explaining 76% of variance in both outcomes. Inclusive leadership, which was substantial, reflected relatively small impacts in appropriateness (retention: 0.262; performance: 0.193). This is confirmed by the near-perfect correlation rate between retention and performance ($r = 0.876$) which indicates that the stability of the employees is one of the building blocks of efficiency in operation. Such results confirm that in areas where exclusion is endemic (e.g., 16.3 percent labor force participation of females, tribal culture) expedient improvement in diversity bears exponential returns, and inclusiveness leadership is a supplementary booster.

7. IMPLICATIONS

The implications of the study include both theoretical and practical significance to diversity management in the underserved banking situations. In theory, it generalizes global HRM theories by showing that implementation intensity and not policy adoption is what drives the success of initiatives in exclusionary settings such as rural Sindh. The superiority of the diversity effort ($\beta = 0.75$) to inclusive leadership undermines the universalist framework and shows that, in a patriarchal and geographically distant environment, without structural action (e.g., hiring based on skills, digital ERGs) before the culture change, no single-factor intervention could drive performance before the barrier stops working in the service of retention. Pragmatically, policymaking, especially the State Bank of Pakistan, needs to implement hyper-localized diversity requirements (e.g., Sindhi-language training and gender norm-sensitizing initiatives), instead of making token adherence to bindings, to deal with socio-linguistic impediments (e.g., vernacular leadership worked to bring down the turnover rates by 33 percent). Banks should also focus on digital solutions (e.g., virtual ERGs) to alleviate the geographical isolation effect (decreasing remote turnover by 19%) and focus more on skill complementarity instead of superficial diversity to improve innovation by 18-23%. To close these measurement gaps, HR departments need to work on metrics that can relate diversity effort to retention/ performance KPIs and work on closures of gaps in leadership scales through cultural proxies (e.g. by incorporating Sindhi relational norms into leadership scale of inclusive leadership). While this study focuses on banking, the implications extend to other sectors facing similar challenges in rural or exclusionary contexts, such as public health, education, and development NGOs. For instance, the demonstrated success of digital ERGs in reducing isolation can be adapted for remote healthcare workers. Similarly, the hyper-localized policy recommendations (e.g., vernacular communication, gender-norm-sensitive interventions) are directly applicable to improving graduate employability and retention in local branches of multinational companies or in public sector projects, ensuring that talent from rural areas is effectively integrated and retained within the national workforce.

8. LIMITATIONS

This research does not overlook three areas of limitations. First, the non-probability convenience sampling technique in a six rural Sindh districts Jacobabad, Kashmore, Shikarpur, Ghotki, Khairpur, Sanghar provides opportunity to generalize only to other underserved provinces (e.g., Balochistan) or in urban side of banking like urban Karachi, cities of Northern Pakistan. Second, the cross-sectional nature of the study (Jan-Mar 2025) does not allow making any causal statements, and 3-5 years of longitudinal trace is required to prove the impacts on the modes of retention gains being instrumental in the prolonged effects on performance. Third, lower reliability of inclusive leadership scales ($\alpha = 0.739$) indicates possible cultural mismatch, namely, the adopted scales might not fully reflect vernacular leadership peculiarities (e.g., Sindhi communication patterns) or even patriarchal relationships in the region of Sindh. In the future, researchers are recommended to use stratified random sampling of the rural areas of Pakistan, utilize mixed methods (e.g., interviews to place the scale items in better context), and examine mediators, such as collective efficacy to explain how diversity activities enhance results.

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