Impact of Inclusive Leadership on Project Success: The Mediation Role of Proactive Behavior and Moderation Role of Self-Efficacy

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ABSTRACT

Keywords:

Inclusive Leadership, Project Success, Proactive Behavior, Self-Efficacy, Leader Member Exchange Theory.

This study explores the influence of Inclusive Leadership on Project Success within project-based organizations, examining Proactive Behavior as a mediating factor and Self-efficacy as a moderator between Inclusive Leadership and Project Success. The research draws upon Leader-Member Exchange theory, which emphasizes the importance of leader-member relationships in enhancing team and individual performance, project commitment, and creativity. Focusing on project-based organizations in Pakistan, the study employs a convenience sampling method, utilizing self-administered questionnaires for data collection. A total of 354 respondents from major Pakistani cities provided data for analysis. The research adopts a quantitative approach, conducting a causal study in non-contrived settings. Descriptive and statistical analyses were performed using SPSS software. Findings indicate that Proactive Behavior positively mediates the relationship between Inclusive Leadership and Project Success, while Self-efficacy positively moderates this relationship. The study concludes by discussing theoretical and practical implications, as well as offering recommendations for future research within the Pakistani context.

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INTRODUCTION

In today's complex and quickly evolving world projects are considered to be the backbone of the modern industry hence to gain edge, majority of the firms worldwide apart from their traditional/operational nature are changing their strategies and focusing entirely towards firms based on projects (Mir et al., 2021). For the past couple of years many scholars and practitioners have done research in trying to identify the factors that leads to project success (Badewi, 2016; Heravi & Gholami, 2018; Jitpaiboon et al., 2019; Zwikael & Meredith, 2021). Yet further research is being conducted to explore other potential methods and procedures that increases the likelihood of project being a success. The Project Management

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Institute (PMI) defines project success as efficiently and effectively managing project in terms of achieving its triple time constraints i.e. scope, cost and schedule (Cavarec, 2012). Changes in projects are frequent but as long as they are managed it's not considered a failure (Cavarec, 2012). According to (Irimia-Diéguez et al., 2014) cost, time and budget are not enough to measure success of projects. Hence there is no fix criteria to measure the success of projects it varies from industry to industry. (Shenhar Aaron J, Levy Ofer, 1997) in order for a project to be successful the project manager needs to have the necessary leadership attributes required to acquire adequate and proficient project team. For e.g. soccer team performance increases when it's leader contains prominent leadership qualities (Banihashemi et al., 2017). According to (Geoghegan & Dulewicz, 2008; Müller & Jugdev, 2012; Rehman, 2020) leadership has come to light as one of the most important aspects in determining success of a project. The role of leadership is of the essence and is vital in daily life and as well as in the life of projects (Banihashemi et al., 2017).

Theory and hypotheses development

According to the literature, several theories are found that provide the theoretical base for this study such as social exchange theory which explains the cost-benefit relationship between people. Self-determination theory elaborates on the types of motivation upon which employees perform their work. The leader-member exchange theory explains the division of employees into two groups i.e. in-group and out-group. Above mentioned theories are further discussed in detail below.

Social Exchange Theory

A theory that examines the social behavioral aspect of people is known as the social exchange theory. It states that people up-hold relationships as long as they feel rewards are greater than costs (net profit) and will abandon relationships as soon as they sense costs are greater than profit (net loss). This theory specifies that people will apply economic principles when examining relationships (Cropanzano & Mitchell, 2005). According to (Rotter, 1972) individual anticipate thoughts of behaving either in negative or positive way against environment and then responds the same towards the environment. These behaviors are named as reciprocity according to social exchange theory (E. Kim & Glomb, 2014). It's evident that when higher management requires positive behavior from subordinates, they provide incentives to them (Bakker et al., 2007). Therefore, a notion of "exchange" is initiated between individuals. (L. Gong et al., 2021; Jolly & Lee, 2021; Qurrahtulain et al., 2022; Rehman, 2020) used social exchange theory in their respective studies which focused

on inclusive leaders, employee's motivation and performance. In consent with this theory, it's concluded that IL is a positive side of leadership which can take the project on the positive side. So, this theory demonstrates that IL allows employees to work in a collaborative enjoinment, seeks their opinion and in return employees exchange their knowledge, skills, as a reciprocation process.

Self Determination Theory

A theory that deals with person's own ability to think, organize and make decisions for themselves as they see fit (Deci, 1971). This theory contains both intrinsic and extrinsic motivation to acquire task performance (Rehman, 2020). Intrinsic motivation deals with activity done for the sake of own-interest while extrinsic motivation deals with activity done in return for external reward or outcome (Eyal & Roth, 2011). Self-determination theory states that when individuals are genuinely concerned about their tasks, they exhibit high level of motivation which allows them to feel more self-confident and self-determined and hence they tend to give more input in their work as well as decision making and participation. Self-determination theory is built upon three major needs i.e. autonomy, relatedness, and competency occupying these needs will increase the motivation level. Self-determination theory relates to this proposed study in way that employees often need a supportive environment which could help fulfill their need for competency, autonomy, and relatedness this is where leadership style of inclusiveness may help provide the required need of support to the employees. (Rehman, 2020) quoted self-determination theory among other theories in study related to inclusive leadership and project success. Hence compared to other leadership styles, Inclusive Leadership provides a supportive environment of equity in the organization. It also helps boost employee's ability to make their own decisions also recognizes the employees worth and encourages towards contributing more.

Leader Member Exchange Theory

The theory that fits the research model well and covers all the aspects of the study is Leader-Member Exchange theory of leadership. It explains the dyadic quality of working relationship between a leader and a member of team, unit, or an organization (van Breukelen et al., 2006). It also focuses on how leader identify competency of the employees (Mir et al., 2021). It is observed that when leader and member tend to work in sync, they produce valuable results (Kacmar et al., 2003; Liden et al., 1997). Based on LMX theory in working environment where quality relationship exists, employees are bestowed with valuable resources allowing them to take initiate and perform well (Griffin et al., 2010). Subordinates place their trust in

supervisor (project manager) henceforth relationship is sustained for longer duration (Blau, 2017). Inclusive leadership promotes high quality relationship thus it motivates employees to produce desired level of performance (Nembhard & Edmondson, 2006). When leaders exhibit these attributes, they provide secure, friendly environment to work hence employee's show's more commitment towards projects (Shore et al., 2011). When employees are committed towards their work, they develop good relation with leaders allowing them to feel important and valuable to organization (Randel et al., 2018). Various research scholars used LMX theory in their studies to infer the role of inclusive leadership on job related outcomes using different mechanisms (Javed et al., 2019; Muhammad Yousuf Khan Marri, Muhammad Azeem, 2021; Saeed M et al., 2021; Shore & Chung, 2022). Therefore, the leader member exchange theory will be used as a supporting theory for this research since it elaborates all variables covered in proposed research model.

Inclusive Leadership

Leaders who exhibit activeness and are aware of their surroundings, they seek out to grab opportunities, analyze them and listens to various perspectives and opinions of others in order to make the appropriate decision are known as Inclusive Leaders (Ryan, 2006). The term Inclusive Leadership dates back to the 20th century but it was not until the late 1990's then it gained its recognition. Inclusive Leadership is a broad dimension of leadership that basically elaborates attributes, skills, and qualities of a leader. Inclusive leader is the one who is always available to employee's aid whom they approach with ease (Carmeli et al., 2010). Inclusive leaders involve their subordinates before decision making, hears their opinions and acknowledges them (Nembhard & Edmondson, 2006). They focus on distinctiveness and belongingness of team members (Ashikali et al., 2021). They also treat their subordinates fairly and equally and considers each and every member of the team to be as important as anyone else (Gallegos, 2013) and facilitates them.

Project Success

(Martens et al., 2018) argues that, to achieve project success team coordination and performance is of the utmost importance. Furthermore, team members contain the required attributes and skills to work effectively. According (Ni et al., 2018) communication is critical factor that contribute towards success. The most significant source of project success according to (Irimia-Dieguez et al., 2015) are the accomplishment of triple time constraints. Frequent changes in the project scope can lead to project failure as argued by (Creasy & Carnes, 2017). In large infrastructure and construction projects stakeholder satisfaction is

considered as major criteria in context of project success (Mirza et al., 2013). Frequent changes in scope, type of project and context requires unique styles of leadership to deal with hence leadership has direct link with success of projects (Imam & Zaheer, 2021). Numerous researchers have discussed project success criteria in terms of its, nature, complexity, need, implication, scope etc. there is no fixed criteria to assess as the term project success is very subjective.

Proactive Behavior

In order to counteract the dynamic nature of the organizations, many researchers and scholar emphasize the importance of acquiring behavior that is change-oriented and future focused known as proactive (Parker et al., 2006). Proactive-ness can take the shape of many forms depending upon the context being addressed for e.g. improving local process (Morrison & Phelps, 1999), taking initiative (Frese & Fay, 2001), career initiative (Z. Wang et al., 2019), seeking feedback (Anseel et al., 2015; Ashford, 2003), job crafting (Tims et al., 2012; Wrzesniewski & Dutton, 2001), problem prevention (Parker & Collins, 2010), and socialization (Saks & Ashforth, 1996). All of behavior have one thing in common, they all are self-initiated processes without changing the status quo. But rather changing their own behavior, hence taking control. Noticeable evidence has been found that shows positive effects of proactivity on performance and career success (Fuller & Marler, 2009; Thomas et al., 2010; Tornau & Frese, 2013). Proactive Behavior allows individual to reduce uncertainty in work and take control of their surrounding (James, 2021).

Self-Efficacy

Self-Efficacy is one of psychological behavior aspects and it's defined as having strong faith and believe in own abilities while being accustomed with a task or assignment (Caldwell & Hayes, 2016). (Lent et al., 1994) explains that it basically relates to person own judgment about their skills how well they can organize themselves, accordingly, put thoughts into actions for attaining designated level of performances. Having high self-efficacy can lead to good outcomes i.e. performance and job satisfaction (Bandura, A, Walters, 1977; Robbins et al., 2004). It's been found that employee's commitment towards their job is determined by their ability to link motivation with performance and this linked is filled through self-efficacy (Rondeau, 1994). Those individuals who exhibit high level of self-efficacy are more prone to be motivated and creative in the workplace compared to others. These people have firm belief that that can overcome difficult situations (Zhou et al., 2021). Literature provides many evidences, self-efficacy and motivation and integral part of performance, that's enhances the

efficiency and effectiveness in the workplace (Hill et al., 1987; Mitchell et al., 1994; van den Heuvel et al., 2015).

Inclusive Leadership and Project Success

One of the most tiresome tasks of today's world is managing the workplace (Espinoza & Ukleja, 2016). Things become more difficult in case of project–based organizations, since employees are employed on contract bases. Therefore, in order to maintain the reputation and quality of the firm the need to motivate employees is major concern (Dwivedula et al., 2016). In order to create a productive environment, to limit the structural changes and policies, role of leadership is required to manage the quality of work and meet employees needs at all level of the organization (Anvari et al., 2014). Organizations in order to thrive requires the role of leadership. Therefore, Inclusive Leadership is known to be the required leadership style to adopt in this scenario (Amy E. et al., 2018). This leadership style promotes inclusiveness and encourage employees to achieve their full potential. Furthermore, it provides safe and collaborative culture (Mujtaba, 2013) in the workplace where people work together can take risks and develop trust. Hence not only it boosts diversity but also enhance individual and collective performances (Soares et al., 2011).

On the counterpart there are few obstacles that exists in the way of inclusive leadership i.e. managerial approaches exercised, and organization policies. Inclusive leaders act a platform for employees that contains potential, so they can contribute towards the organizations. Furthermore, it creates diverse and creative environment where subordinates can support and help each other (Javed et al., 2019). If subordinate comes up with an idea and is not appreciated by others, this will force that subordinate to leave the firm, hence by having inclusive leader, will provide the necessary support and appreciation to employees with any biasness for their vision and participation (Groysberg & Slind, 2012). Leadership is a core element for promoting goals and mission of the organization (Jackson, 2016). Work engagement as a positive work-related state of mind is defined by three main elements i.e. absorption, vigor, and dedication according to (Bakker, 2017). Inclusive leaders contain characteristics i.e. they listen, respect and acknowledge employees (Saeed M et al., 2021). Leaders can help enlighten the significance of conflict and diversity by endorsing adequate management of diversity and conflict in the workplace.

H1: *Inclusive Leadership is significantly and positively related to Project Success.*

Inclusive Leadership and Proactive Behavior

The complex and dynamic environment of the workplace, forces managers to rely more on their employees for problem solving and information processing (Chakravarthy, B., McEvily, S., Doz, Y., & Rau, 2003). Organizations now more than ever, need employees' ideas and thoughts to bring innovation and promote organizational effectiveness (Hsiung, 2012). Hence, it's very important for managers to realize the conditions that assist employees work behaviors in order to improve the condition of work (Afsar & Umrani, 2019). When employees face situation in which they feel displeased they are likely to either leave or block their views and opinions. (Whiting et al., 2008) claims employee proactive behavior is positively related to outcomes i.e. organizational effectiveness and individual job performances. Proactive person has a habit of suggesting new means of performing tasks, bring about new ideas to improve their existing functions and initiatives (Jafri et al., 2016). Employees tends to adopt proactive behavior only when they feel it's safe and senses that it will generate favorable outcomes (Chih Ho, 2017). Hence having supportive environment in which employees are motivated to seek new ways to perform their work without worrying about any problems are most likely to aid proactivity.

Inclusive leadership allows employees to participate in important processes with confidence and ease and lays a path for them so that they can apply creativity in work (H. Wang et al., 2021). Therefore, inclusive is the preferred leadership style that provides the necessary supportive environment for employees in order to thrive proactive behavior. This behavior allows individual to provide suggestions for improvement and also seek output (Jolly & Lee, 2021). It a supportive, collective fair, fault-tolerant leadership style that has compelling impact on employee's behavior (Carmeli et al., 2013; Z. X. Chen et al., 2002; Y. Gong et al., 2009). Inclusive leadership enables employees to thrive at work, promote individual growth and development (Demerouti et al., 2001). Various studies reported that leader support predicts many types of proactive behavior i.e. idea implementation (Axtell et al., 2000), creative performance (Madjar et al., 2002), personal initiative (Ohly et al., 2006), and environmental initiative (Ramus & Steger, 2000).

H2: *Inclusive Leadership is positively related to Proactive Behavior.*

Proactive Behavior as a Mediator Between Inclusive Leadership and Project Success

In recent past, proactive behavior is believed to have played a compelling role in business environment (Jafri et al., 2016). Proactivity is known to be shaped by personal attributes of a person i.e. communicating, novelty, and sharing ideas (Tai & Mai, 2016). A Proactive

behavior allows people to go beyond their roles and perform more (Xiong & King, 2018). Proactive behavior is considered to be an important topic in the context of project management literature and also project-oriented organizations. Question that raises in minds is that how proactive behavior relates with project performance. Employees with proactive personality are essential to achieve work related outcomes i.e. job performance (Z. Zhang et al., 2012). Generally, people having proactive personality tends to perform better than other because they feel satisfied with their job and life. They shape and organize themselves to perform better (Fuller & Marler, 2009). (Anantatmula, 2010) identified that by having effective communication can help develop trust which can prove beneficial for project. Recently (R. Zhang et al., 2021) revealed that proactive individual's enables to develop challenging work environment for firms hence they can pursue their required targets. Literature supports that one of the predictors of project success is that employees need to be motivated, behave proactive and accomplish their tasks as per deadlines and create greater outcomes that increases chances of project success (Mahaney & Lederer, 2006).

Within inclusive leadership, subordinates feel relaxed and are exempted from expecting any risks related with proactivity (Falih Bannay et al., 2020). Leaders plays a significant role in which he puts effort in employees by enhancing their perceptions and providing guidance to them. When leaders approach right decisions, that benefits employees of the organization it increases their motivation level and fosters their capabilities, thus employees work for such leaders (Dust et al., 2018; Presbitero, 2015). Inclusive leadership can provide the required motivation level required by employees in order to behave proactively which can lead to greater performances of task, objectives which in turn can increase the likelihood of project success.

H3: *Proactive Behavior mediates the relationship between Inclusive Leadership and Project Success.*

Self-Efficacy as a Moderator Between Inclusive Leadership and Project SuccessProactive

(Bandura, 1977) examined that, if self-efficacy of subordinates is enhanced then they can smoothly adopt changes that occurs in the environment. Further claims that self-efficacy is related to the beliefs of people (Bandura, 2010). When employees feel safe, they perform work enthusiastically. Similarly, employees having high self-efficacy contains high morale and willpower which facing challenging tasks (Li et al., 2017). To avail productivity, and harness skills self-efficacy is considered an important element in the context of projects (Bates & Khasawneh, 2007). Literature shows that self-efficacy is influential predictor of job

performance (Bandura & Locke, 2003). Managers can enhance self-efficacy of employee by careful hiring, assigning challenging task, and by providing incentives for improvement (Benight & Bandura, 2004). Self-efficacy ultimately effects the willpower of employees while facing complex task. Those individuals who embraces high self-efficacy are more certain that they can perform effectively and solve complex challenges while executing tasks. On the other had those who embraces low self-efficacy they feel incompetent and are likely to lose hope and give up without working hard. According to (Ullah et al., 2021) self-efficacy of employees depends on their leader's behavior. In inclusive environment many substantial opportunities are provided to employees thus allowing them to enhance their self-efficacy (Shakil et al., 2021) .It gives boost to project teams which allows them to do brainstorming, access alterative solutions and bring innovation and creativity to the team, which helps improve the quality of performance (Arumugam et al., 2013). The more belief an individual has in his abilities the more likely it is that he will take part in activities, set higher goals than usual, embraces more challenges and grow themselves (Miles & Maurer, 2012). Self-efficacy lays the foundation to create awareness and share valuable information's on how to tackle uncertain problems that arise during projects (Lee Endres et al., 2007).

H4: *Self-Efficacy moderates the relationship between Inclusive Leadership and Project Success*

This research study aims to investigate the impact of Inclusive Leadership on Project Success in project-based organizations with a mediating mechanism of Proactive Behavior along with finding the moderating impact of Self-efficacy on a relationship between Inclusive Leadership and Project Success. Leader Member Exchange theory is utilized to provide the theoretical base for this study. In which emphasis is given on leader member relationships, high quality leader-member relationship boosts team and individual performances, project commitment, and creativity. The context of this study is the project-based organizations of Pakistan. Convenience sampling method is adopted for this study and data is collected using self-administered questionnaires. Total data of 354 respondents was used for data analysis and was collected from employees working in project-based organizations from major cities of Pakistan. Quantitative analysis approach was adopted to conduct causal study in non-contrived settings. Data acquired was used to perform descriptive and statistical analysis in SPSS software. The results revealed that proactive behavior positively mediates, and self-efficacy positively moderates the relationship between inclusive leadership and project

success respectively. The study also discussed theoretical, practical implications, future recommendations in the context of Pakistan.

METHODOLOGY

Research design

The current research study follow's the deductive method approach, in which hypothesis are developed based on existing theory and by using questionnaire data is acquired from respondents which is later analyzed and empirically tested to verify the research hypothesis.

Data Collection Procedure

In this current study purposive sampling techniques, a type of non-probability sampling technique was adopted. Sample was taken from project-based organizations working in major cities of Pakistan. The data was taken from employees working in companies that deals with projects. The sample size for this study is 354. The organizations were approached through personal contacts and references. They were requested to take part in the survey which was used for research purpose only. Questionnaires were shared to respondents in printed form and soft form using online questionnaire tool "Google forms"

Inclusive Leadership

The scale developed by (Carmeli et al., 2010) and is adopted to measure Inclusive Leadership in this study. The sample item contains "The project manager is open to hearing to new ideas (openness)", "The project manager is attentive to new opportunities to improve work processes", "The project manager is open to discuss the desired goals and new ways to achieve them (openness)."

Proactive Behavior

The scale developed by (Maden-Eyiusta, 2021) and is adopted to measure Proactive Behavior in this study. The sample item contains "Try to bring improved your procedure in your workplace.", "Try to implement solutions to pressing organizational problems?", "Promote and champion ideas to others?"

Self-Efficacy

The scale developed by (G. Chen et al., 2001) and is adopted to measure Self-Efficacy in this study. The sample item contains "I will be able to achieve most of the goals that I have set for myself", "When facing difficult tasks, I am certain that I will accomplish them".

Project Success

The scale is developed by (Aga et al., 2016) and is adopted to measure Project Success in this study. The sample item contains "The project was completed on time", "The project was

completed according to the budget allocated", "The outcomes of the project are likely to be sustained."
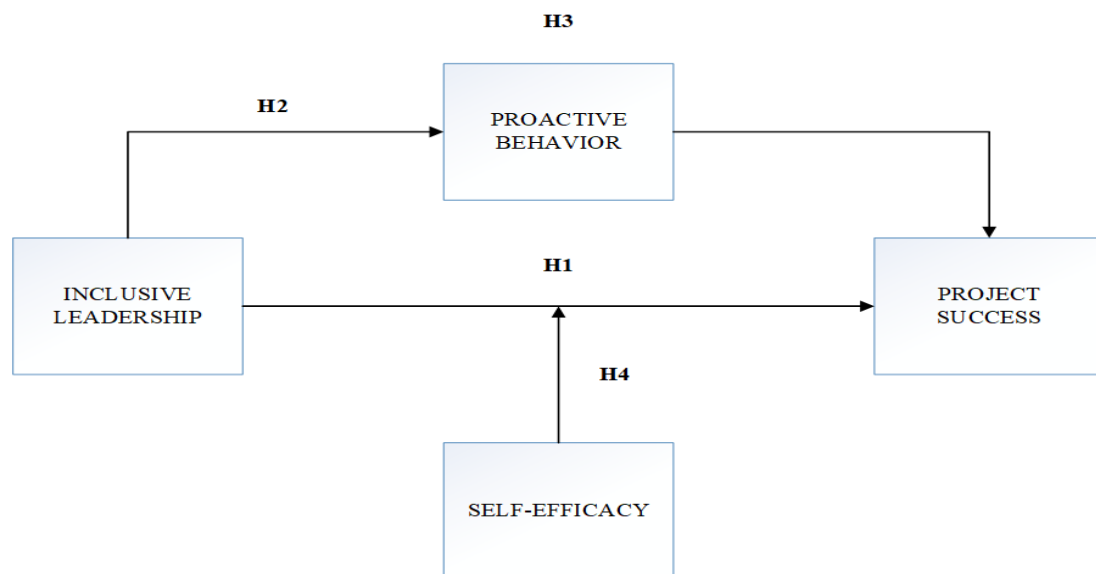
RESEARCH MODEL

Figure 1: Research Model of IL impact on PS Through PB: Moderation of SE

ANALYSIS

The process of descriptive statistics is based on numerical data, it provides information in a meaningful way about the sample data. Generally descriptive statistics consists of sample size, minimum, maximum value, its mean and standard deviation. Descriptive statistics provides standardized value of each variable. In other words, it provides the overall summary of the data gathered in the form of table. All the variables considered for this study are based on 5-point Likert scale ranging from 1-5, where 1 signifies: strongly disagree, and 5 signifies: strongly agree. Table highlighting the significant statistics is shown below.

Table 1: Descriptive Statistics

Variables	Minimum Value	Maximum Value	Mean	Standard Deviation
Inclusive Leadership	1.56	5	4.09	0.56
Proactive Behavior	1.83	5	4.21	0.49
Self-Efficacy	1.00	4.63	4.02	0.41
Project Success	1.56	5	4.00	0.47

Table 1 depicts the overall behavior of data set having total number of 354 respondents. The mean value of Inclusive Leadership is 4.09 and the S.D is 0.56. The mean value of Proactive Behavior is 4.21 and S.D is 0.49. The mean value of Self-Efficacy is 4.02 and S.D is 0.41. The mean value of Project Success is 4.0 and the S.D is 0.47.

Below tabular data presents the composition of correlation among all the variables that are currently under study, it also describes the magnitude and nature of relationship.

Table 2: Correlation Analysis

Variables	1	2	3	4
Inclusive Leadership	1			
Proactive Behavior	0.210**	1		
Self-Efficacy	0.246**	0.109*	1	
Project Success	0.185**	0.273**	0.236**	1

N= 354, *P < 0.05, **P < 0.01
*Correlation is significant at the 0.05 level (2-tailed). **Correlation is significant at the 0.01 level (2-tailed).

The results in tale 2 show that inclusive leadership is positively and significantly correlated with proactive behavior (r = 0.210**; P < 0.01), self-efficacy is positively and significantly correlated with inclusive leadership (r = 0.246**; P < 0.01), project success is positively and significantly correlated with inclusive leadership (r = 0.185**; P < 0.01), proactive behavior is positively and significantly correlated with self-efficacy (r = 0.109*; P < 0.05), project success is positively and significantly correlated with proactive behavior (r = 0.273**; P < 0.01), and self-efficacy is positively and significantly correlated with project success (r = 0.236**; P < 0.01).

Overall, it demonstrates that there is a significant and positive correlation between all of the variables, therefore the results are in accordance with our hypothesis so further analysis are continued.

Regression Analysis

Preacher and Hayes Process Macro method is used to perform mediation and moderation regression analysis, where model 4 is used for mediation and model 1 is used for moderation regression analysis (Hayes, 2022).

Table 3: Linear Regression

Predictor	β	R^2	Sig
	Project Success		
Inclusive Leadership	0.185**	0.034	0.000

Standardized regression coefficient is reported (N = 354, *P < 0.05, **P < 0.01).

The above table 3 shows the results of linear regression analysis. According to 1st hypothesis, inclusive leadership is significantly and positively related to project success. The results of regression demonstrates that the value of $β$ coefficient = 0.185, having significance value of p = 0.000, and R^2 = 0.034, Here R^2 is the coefficient of determination implying that inclusive leadership brings 3.4% variation in project success. $β$ is the rate of change, meaning that 1 unit change in inclusive leadership leads to 0.185 unit change in project success. The value of significance is (**P<0.01) showing that the relationship is significant between these variables.

Since the above regression analysis results are in accordance with the proposed hypothesis i.e. inclusive leadership is significantly and positively related to project success, therefore the 1st hypothesis is accepted.

Table 4: Simple Regression

Predictor	β	R^2	Sig
	Proactive Behavior		
Inclusive Leadership	0.210**	0.044	0.000

Standardized regression coefficient is reported (N = 354, *P < 0.05, **P < 0.01, ***P < 0.001).

The Above table 4 shows the results of linear regression analysis. According to 2nd hypothesis, inclusive leadership is positively related to proactive behavior. The results of regression demonstrates that the value of $β$ coefficient = 0.210, having significance value of p = 0.000, and R^2 = 0.044, Here R^2 is the coefficient of determination implying that inclusive leadership brings 4.4% variation in proactive behavior. $β$ is the rate of change, meaning that 1 unit change in inclusive leadership leads to 0.210 unit change in proactive behavior. The value of significance is (**P<0.01) showing that the relationship is significant between these variables.

Since the above regression analysis results are in accordance with the proposed hypothesis i.e. inclusive leadership is positively related to proactive behavior, therefore the 2nd hypothesis is accepted.

Mediation Analysis

In order to check the results against the proposed 3rd hypothesis, mediation analysis is performed using model 4 of Process macro method developed by Preacher and Hayes for SPSS (Hayes, 2022). This method contains three types of mediation effects: Total effect, direct effect and indirect effect and the paths observed are a, b, c and c'.

Table 5: Mediation Analysis

Effect of IV on M (a path)		Effect of M on DV (b path)		Total effect of IV on DV (c Path)		Direct effect of IV on DV (c' path)		Bootstrap Results for Indirect Effects	
								95%	95%
β	t	β	t	β	t	β	t	LLCI	ULCI
.209**	4.026	.244***	4.707	.185**	3.536	.133*	2.574	0.0164	0.1049

Standardized regression coefficient is reported (N=354, *P< 0.05, **P< 0.01, ***P<0.001). Here confidence interval = 95%, LLCI= Lower Limit Confidence Interval; ULCI= Upper Limit Confidence Interval, IV = Inclusive leadership, M = Proactive behavior, DV = Project success.

Moderation Analysis

Table 6: Moderation Analysis

Effect of IL on PS		Effect of SE on PS		Effect of Int. Term (IL x SE) on PS		Bootstrap Results for indirect effects	
						95%	95%
β	t	β	t	β	t	LLCI	ULCI
0.147**	3.135	0.353***	4.350	0.015*	2.073	.0008	.0303

N=354, *P< 0.05, **P< 0.01, ***P<0.001). Here confidence interval = 95%, LLCI= Lower Limit Confidence Interval; ULCI= Upper Limit Confidence Interval, IL = Inclusive leadership, PS = Project Success, SE = Self-Efficacy.

The above table 6 shows the results of moderation analysis. The effect of inclusive leadership on project success is significant and positive where p = 0.0019, the β value is 0.147**. Similarly, the effect of self-efficacy on project success is significant and positive having p = 0.000, and β value = 0.353***. The main focus of moderation analysis is the interaction term variable i.e. "self-efficacy moderates the relationship between inclusive leadership and project success" it has the LLCI and ULCI value of 0.0008 and 0.0303 respectively. Both the

limits have the same sign value with no zero present in between them. Similarly, the interaction term depicts positive and significant regression coefficient ($\beta = 0.015^*$, p = 0.0389).

Findings show that the interaction term results are in accordance with the proposed 4th hypothesis which states that Self-Efficacy moderates the relationship between Inclusive Leadership and Project Success. Therefore the 4th hypothesis is accepted
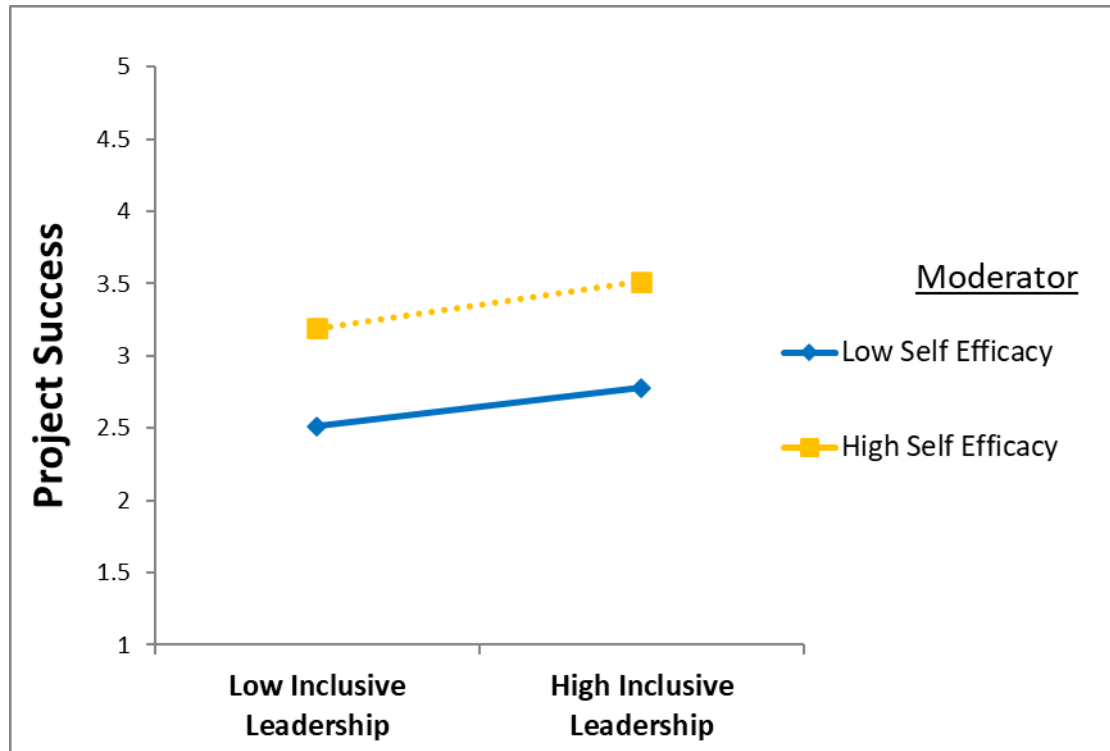

Figure 2: Interaction Graph

Figure shows the moderation graph which also supports the moderation results calculated above. The slope of lines indicates a positive relation between inclusive leadership and project success. Moreover, in case of low self-efficacy the relationship between inclusive leadership and project success becomes weaker. On the contrary in case of high self-efficacy the relationship between inclusive leadership and project success becomes stronger. Hence, this graph further clarifies the direction and moderation effect between inclusive leadership and project success.

Table 7: Summary of Hypothesis

H1	Inclusive Leadership is significantly and positively related to Project Success.	**Accepted**
H2	Inclusive Leadership is positively related to Proactive Behavior.	**Accepted**
H3	Proactive Behavior mediates the relationship between Inclusive Leadership	**Accepted**

and Project Success.

H4	Self-Efficacy moderates the relationship between Inclusive Leadership and Project Success.	**Accepted**

DISCUSSION

The main aim of conducing this research was to survey the appropriate responses about various queries that were left unanswered in related to the relationship of Inclusive Leadership and Project Success in the context of Pakistan. Besides other variables i.e. employee Self-Efficacy which is used as moderating variable and employee Proactive behavior which is used as mediating variable between Inclusive Leadership and Project Success.

In current study, data was collected from employees working in project-based organizations of Pakistan, mainly from major cities of Pakistan. Leader member exchange theory is the underpinning theory of this research and it represents the purpose of this study. The main objective was to find out the impact of Inclusive Leadership on Project Success with mediating role of Proactive Behavior and moderating role of Self-Efficacy.

The results of the study are in accordance with the hypothesized model, in such a way that inclusive leadership is positively and significantly related with project success. The mediating relationship between inclusive leadership and project success showed significant results. Similarly, substantial findings were obtained for the other expected association as well, which is the moderating relationship of self-efficacy between inclusive leadership and project success. The research's conclusions confirmed the model's hypotheses as expected.

Conclusion

The proposed study was designed to investigate the effects of inclusive leadership on project success with mediating role of proactive behavior and moderating role of self-efficacy in project-based organizations. This research was carried out in the context of Pakistan, and the leader member exchange theory was employed as a supporting theory for identifying the relationship of variable. Total of 354 questionnaires were distributed and considered for data analysis.

Additionally, this study provides justifications and examples of how inclusive leadership can promote proactive behavior and maintain project culture at work. In bringing people forward and boosting their level of self-efficacy, leaders can play a crucial role.

Results concluded that all four hypotheses were proved and accepted under the assumptions of LMX theory with the help of Preacher and Hayes Process macro for SPSS. The statistical

tests show that the variables used in the model were reliable and valid, and that the model fit the data well. The reasons behind each accepted/ rejected hypothesis were discussed with supporting literature, along with the study's theoretical, practical implications and limitations as well.

Theoretical implications

Theoretically, this study adds to the body of knowledge in many ways. First it introduces the idea of inclusive leadership as a means of achieving project success through proactive behavior. This study suggests that, inclusive leadership influences employee's proactive behavior favorably and steers it toward performance, which is a predictor of success. By focusing on both the qualities of a leader, and the characteristics of a leader-follower relationship we can conclude that inclusive leadership also promotes performance (give-and-take) (Hollander, 2009).

Several important theoretical advances were made by the current investigation. First, the data indicated that inclusive leadership had a significant impact on employee proactive behavior, which was consistent with previous research highlighting the significance of supervisory support in proactive behavior (Anderson et al., 2004; T. Chen et al., 2016; Oldham & Cummings, 1996). Inclusion is critical in providing leadership support for employees since it fosters exchange relationships, which addressed to the claim that "the inclusion concept and its relevant theoretical base require further elaboration" (Shore et al., 2011). It is a vivid social emotional tool that creates situations in which people feel safe to express their thoughts, proclaim their ideas, and ask questions (Baer & Frese, 2003; Nembhard & Edmondson, 2006).

In addition, the study also suggested the moderation effect of self-efficacy on the relationship between inclusive leadership and project success. Which has not been touched before in the project management literature. Based upon LMX theory, findings provide evidence that high leader-member relationship promotes leader's inclusiveness they further encourage proactive behavior among employees, which in turn motivates them to produce high level of performance and thus attain firm goals and objectives. When people are given more resources and authority, their individual performance improves, which leads to greater project success (Ke & Zhang, 2011; Kundu et al., 2019). The study's findings were also consistent with (Khan et al., 2020).

This study can be compared in the future to similar practices in many types of organizations and sectors, particularly in the setting of Pakistan. It demonstrates how project-based

organization, as opposed to traditional organization, places a strong emphasis on individual capabilities.

Practical implications

The findings of this study give insights on several practical implications. The need to execute projects on schedule is increased due to the project environment's rapid change and rising demands, which puts businesses under strain to remain competitive. Therefore, in order to handle the projects accurately, inclusive leadership is a suitable strategy for dealing with difficult situations at work.

In the study, we make the suggestion that organizations based on projects should support inclusive leadership by emphasizing accessibility, openness, and availability in order to foster an environment where employees feel free to share original ideas and express their opinions and ensure the success of the company. This will lead to increase in proactive behavior among employees.

It further suggests, managers of project-based organizations need to understand how to boost team members' self-efficacy so they can contribute creative ideas to the project's success. Managers can accomplish this through empowering their staff members and appreciating their initiatives. Employees are able to determine how their efforts and work affect the success of various projects as a result. Through training, managers may help their staff members develop the skills they need to carry out their jobs more confidently, effectively, and efficiently.

As a result, it is crucial for leaders to start the process of fostering a deep relationship with their workforce. According to this perspective, some employees are socially outgoing while others are more reclusive. In general, interwoven employees are open to trying new things; in contrast, socially aloof persons prefer the status quo and resist the change. Self-efficacy can be a helpful tool for managers on projects to engage staff in achieving the intended goal because projects are transient in nature and employee stake is limited.

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