Leaders are ultimately both the chief architects of their organisations’ cultures and climates, and the key connectors to their workforces. It is they who define the future of diversity. Thus, the relationship between leadership and diversity is pivotal as to how diversity can be effectively leveraged in a global context. Leaders decide what is important in terms of beliefs and values. Subsequently, what they pay attention to, measure and control and, how they react to organisational crises and critical incidents through their directing and positioning, facilitation, role modelling, teaching and coaching all contribute to the organisation’s way of being. That is, the interplay between leadership intentions, practices, attributes and deliverables is key to achieving buy-in to the value of diversity. This is the leadership necessity for diversity.

By committing to a diversity driven agenda, a leader paves the way for the entire organisation to recognise how crucial diversity and inclusion are to its overall success. Leaders move the diversity effort from a loose collection of best practices to an organisational strategy that improves performance. It becomes part of the fabric of organisational life and creates a culture that is equally values-centred and performance-driven. This is the leadership necessity for diversity.

So, for example, at a strategic and organisational level if leaders view diversity and inclusion as a business imperative so that it abides by the same internal accountability mechanisms as other business operations; if leaders prioritise diversity on their organisations’ strategic agendas as they do for business items; if leaders spread their
diversity initiatives to address all elements of the organisations’ operations so that diversity as a business issue has multiple focal points; and, if leaders tailor and integrate their diversity efforts to differing contexts, then these actions will all contribute to a leadership necessity for diversity.

At a behavioural level, if leaders influence, engage and motivate across borders; if they respond to issues relating to innovation, localisation, challenge and conflict; if a leader is cognizant of the part that their heritage plays in their attitude towards diversity; if leaders position diversity as a tool that enables organisational learning; and, if leaders create knowledge platforms so that learning and a respect for others’ “ways of working” are leveraged then growth and sustainable change is achieved. These ways of being will all contribute to the leadership necessity for diversity.

According to Von Bergen (2005: 2) diversity can influence organisational performance in that a “diverse work force leads to sustainable competitive advantage and ultimately superior performance” (Barney & Wright, 1998; Cox & Blake, 1991; Johnson, 1999; Richard, 2000; Triandis, Kurowski & Elfand, 1994: 2). However, the biggest issue that leaders continue to face when considering whether or not to pursue a diversity agenda in their organisations is linked to financial performance. That is, do they solely channel their energy on achieving profits for their shareholders, or are they committed to leading a learning and developing community that is reflective of our diverse world?

To examine what the impact of diversity may be on a global leader’s performance when the above elements of performance are considered, and to understand how a global leader’s performance can effectively leverage diversity in a global context, it is necessary to evaluate where the industry currently stands in its thinking and practice of leadership.

**Domestic leadership**

To understand the concept and process of leadership, numerous theories and frameworks abound and, although for the purposes of this book there can be no attempt to perform a meta-analysis on all these theories (see Yammarino et al., 2005; Avolio & Chan, 2008, for a meta-analysis of leadership theories) below I provide a succinct