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Inclusive Leadership and Service Innovation Performance: The Moderating Role of Supervisor's Use of Empathetic Language

Kapsayıcı Liderlik ve Hizmet İnovasyon Performansı: Yöneticinin Empatik Dil Kullanımının Düzenleyici Rolü

ABSTRACT

Leadership behavior can positively affect the performance of employees depending on the preferred style. Considering the relations between managers and employees, especially in the service sector, the effect of leadership style on employee performance is of great importance. Therefore, the first aim of the research is to examine the effect of inclusive leadership style on service innovation performance. The second aim of this research is to investigate whether the impact of inclusive leadership style on service innovation performance differs depending on the empathic language used by supervisors, especially in the service sector where customer demands, and expectations are differentiated and rapidly changing. In this context, the data collected from 275 bank employees reached by convenience sampling method were analyzed with AMOS, SPSS and PROCESS macro. As a result of the research, it was found that inclusive leadership has a positive effect on service innovation performance. In addition, it was determined that the use of empathic language has a moderating role in the impact of inclusive leadership on service innovation performance. Mainly, inclusive leadership was found to significantly affect employees' service innovation performance when the supervisor's use of empathetic language is high. The study's findings were discussed, and recommendations for future research were presented at the end of the study.
Keywords: Inclusive Leadership, Service Innovation Performance, Use of Empathetic Language

ÖZET

Liderlik davranışı, tercih edilen tarza bağlı olarak çalışanların performansını olumlu yönde etkileyebilmektedir. Özellikle hizmet sektöründe yöneticiler ve çalışanlar arasındaki ilişkiler düşünüldüğünde, liderlik tarzının çalışan performansı üzerindeki etkisi büyük önem taşımaktadır. Bu nedenle araştırmanın ilk amacı kapsayıcı liderlik tarzının hizmet inovasyonu performansı üzerindeki etkisini incelemektir. Bu araştırmanın ikinci amacı ise özellikle müşteri talep ve beklentilerinin farklılaştığı ve hızla değiştiği hizmet sektöründe kapsayıcı liderlik tarzının hizmet inovasyonu performansı üzerindeki etkisinin yöneticilerin kullandığı empatik dile bağlı olarak farklılaşıp farklılaşmadığını araştırmaktır. Bu kapsamda kolayda örnekleme yöntemi ile ulaşılan 275 banka çalışanından toplanan veriler AMOS, SPSS ve PROCESS makrosu ile analiz edilmiştir. Araştırma sonucunda kapsayıcı liderliğin hizmet inovasyonu performansı üzerinde pozitif bir etkiye sahip olduğu tespit edilmiştir. Ayrıca kapsayıcı liderliğin hizmet inovasyonu performansı üzerindeki etkisinde empatik dil kullanımının moderatör rolü olduğu tespit edilmiştir. Temel olarak, kapsayıcı liderliğin, amirin empatik dil kullanımının yüksek olduğu durumlarda çalışanların hizmet inovasyonu performansını önemli ölçüde etkilediği bulunmuştur. Çalışmanın bulguları tartışılmış ve çalışmanın sonunda gelecekteki araştırmalar için öneriler sunulmuştur.
Anahtar Kelimeler: Kapsayıcı Liderlik, Hizmet İnovasyon Performansı, Empatik Dil Kullanımı.

1. INTRODUCTION

Leadership style is an important external motivator in the employee innovation process (Zhang & Zhou, 2024). Inclusive leadership reflects the new style of leadership being demanded by researchers and practitioners as an emerging field of leadership research. This leadership style enables employees and organizations to be more integrated and adapt to new complex management circumstances (Qi & Liu, 2017). An inclusive leadership style creates an environment where all individuals are treated with respect, all opinions are heard, and they are encouraged to share their unique perspectives (Karimi & Khawaja, 2024).

In recent years, the world economy has shown a continuous tendency to shift from producing goods to producing services, becoming a predominantly service economy (Hu et al., 2009). As organizations become more service-oriented, it is increasingly essential to understand how service innovations, such as new service process ideas and approaches, affect the service delivery process in terms of effectiveness, efficiency and service quality (Tsai & Wang, 2017). Service innovation is defined as "an introduction and establishment of any new initiative in the provision of services, either conceived internally or adapted from external sources, which directly or indirectly adds new value not only for the firm but also provides novel solutions or value added to its clients" (Salunke et al., 2018, p. 147). More recently, scholars have conceptualized service innovation as comprising interactive and supportive elements critical to sustaining competitive advantage (Casidy et al., 2020).

Language is essential to leadership communication, especially when it flows through speech. Communicating with employees empowers leaders to articulate their visions, intentions, and goals. Communicating allows leaders to reach out and connect with followers and other stakeholders. Effective leader speech inspires employees and shares purpose among organizational citizens. On the other hand, ineffective leader talk is dysfunctional and dispiriting. Evidence shows that poor or abusive leader oral communication is linked with the voluntary departure of employees (very costly) and their failure to speak up about critical issues, leading to negative consequences (Mayfield & Mayfield, 2016).

Innovation requires an organizational climate that supports diversity, employees who provide innovative solutions and suggestions through various channels, and leadership practices that enable this climate to be created (Yıkılmaz, 2023). Inclusive leadership has important effects on developing employees' ability to be innovative. Firstly, inclusive leaders' acceptance and adoption of differences such as beliefs, values or ideas among employees encourages employees to use their new knowledge and experience. This approach internalized by inclusive leaders can lead to more innovative performance of their employees. Secondly, since inclusive leaders provide a trustworthy and supportive organizational climate based on open communication, they prepare a work environment where their employees can share new ideas. Thirdly, inclusive leaders involve their employees in decision-making processes, develop them to think and act innovatively and facilitate access to the innovative tools and resources they need. All these points suggest that the support inclusive leaders give to employees drives their innovation behavior (AlMunthiri et al., 2024). In this context, all these support and guidance efforts of inclusive leaders can affect the service innovation performance of their employees. Sullivan (1998) assumes that language is the primary form of communication that reduces uncertainty in organizational environments where employees are motivated. Empathic language, expressed when leaders speak to their subordinates with an emotional understanding, occurs especially when a manager gives an enthusiastic, heartfelt or encouraging evaluation of a direct report (Mayfield & Mayfield, 2006). Thus, the strong communication skills of inclusive leaders may create a more effective and meaningful result than whether they use tools such as empathic language.

Inclusive leaders who help show innovative behaviors among employees can establish close ties with their employees by listening to them, giving timely feedback and providing more support. In this context, social exchange theory underpins the theoretical basis of this study to explain the effect of inclusive leadership on service innovation performance and whether the supervisor's use of empathic language has a mediating role in this effect. According to the social exchange theory, when organizations meet the needs of employees based on the principle of reciprocity, employees will show positive attitudes and behaviors. Employees will increase their contributions to innovative work to repay and reward them for the inclusive leadership and empathetic language used by their managers (Zhang & Zhou, 2024). Regarding the above three constructs (inclusive leadership, service innovation performance, and supervisor's use of empathetic language), no studies have empirically examined the possible impact of inclusive leadership on service innovation performance via supervisor's use of empathetic language. Within this context this study aims to investigate the moderating role of empathetic language on the relationship between inclusive leadership and service innovation performance.

2. LITERATURE REVIEW

2.1. Inclusive Leadership

Inclusive leadership, introduced by Nembhard and Edmondson (2006, p. 947), is defined as words and actions by the leader or leaders that indicate an invitation and appreciation for others' contribution. Inclusive leadership can support pluralism, diversity and productivity in organizations. Inclusive leadership behaviors that meet group members' need to belong include supporting group members, ensuring justice and equity, and sharing decision-making (Gül Ekşi, 2023). This style differs from other leadership styles as it particularly refers to situations in which power differences between the leaders and the followers are highly salient – as is often the case in multi-professional teams or units (Weiss et al., 2018). Carmeli et al. (2010, p. 250) emphasize inclusive leadership as leaders who exhibit openness, accessibility and availability in their interactions with followers. Inclusive leaders maintain open communication with their employees to continuously invite input and support them (Choi et al., 2015). Inclusive leadership refers to a leader with a longer history and background and, at the same time, encompasses all employees and their environment. Inclusive leaders are leaders who support the employees within their organization in all matters and have high credibility in their eyes (Gül Ekşi, 2023).

2.2. Service Innovation Performance

The concept of service innovation, recognized as an important driver for boosting firms' competitive advantage (Tsai & Wang, 2017), dates back to Barras (1986). Since then, it has been the subject of considerable research (Oke, 2007). Scholars have begun to pay attention to the practical implications of service innovation performance due to the rise of the service economy (Feng et al., 2020). Oke (2007, p. 566) defines service innovation as new developments in activities undertaken to deliver core service products for various reasons, e.g., to make those core service products more attractive to consumers. Yin et al. (2024) describe service innovation performance as the scope and frequency of new practices companies provide, such as improving existing services, repackaging, expanding service offerings and creating novel service systems. Service innovations can influence or be influenced by core product innovations. Such developments tend to involve interaction with the customer and may be associated with either new or existing service products (Oke, 2007). Service innovation can be considered as a value-added chain service activity in which organizations provide new services by combining existing newly developed elements to create innovative services. Therefore, the service innovation activity, which involves actors from various partners, suppliers and customers collaborating in determining the right way to design, deliver, support and implement the new service, requires the consideration of additional characteristics that affect service-oriented organizations and influence their empirical measurement (Tsai & Wang, 2017).

2.3. Supervisor's Use of Empathetic Language

Empathetic language is defined as a leader's shared humanity and unconditional respect for the needs of others (Sullivan, 1988). Empathic language is one of the three motivating factors, along with orientation and meaning-making (Mayfield & Mayfield, 2016). The concept of motivational language was first introduced by its founder, J. Sullivan, in 1988. Motivational language is a verbal communication technique leaders use that is significantly associated with such positive employee benefits as higher job performance, increased job satisfaction, reduced employee disengagement, and lower absentee rates (Mayfield & Mayfield, 2016). According to Sullivan (1988), motivational language has a great influence on the motivation of employees. Therefore, all functions of language should be used in a coherent discourse. Sullivan, who predicted that the verbal messages of leaders would positively trigger the motivation of employees, realized that despite this effect, motivational language is not used by most managers (Mayfield & Mayfield, 2016). Sullivan (1998) assumes that language is the primary form of communication that reduces uncertainty in organizational environments where employees are motivated. Empathic language, expressed when leaders speak to their subordinates with an emotional understanding, occurs especially when a manager gives an enthusiastic, heartfelt or encouraging evaluation of a direct report (Mayfield & Mayfield, 2006). A manager praising an employee for a job well done is an example of an act of empathetic language (Mayfield et al., 1995).

2.4. Development of Hypotheses

2.4.1. The Association Between Inclusive Leadership and Service Innovation Performance

Innovation requires an organizational climate that supports diversity, employees who provide innovative solutions and suggestions through various channels, and leadership practices that enable this climate to be created (Yıkılmaz, 2023). Inclusive leaders give employees norms to develop, encourage full communication, take additional responsibilities, and speak out (Qi & Liu, 2017). Leader inclusiveness describes behavior that, through direct invitation, should create psychological safety for speaking up (Nembhard & Edmondson, 2006). Inclusive leadership is a collaborative approach that fosters interdependent relationships with a shared vision and common goals (AlMunthiri et al., 2024). Shalley and Gilson (2004) note that leadership style is among the most important factors influencing employees' innovative behavior. According to Çelik et al. (2024), social identity theory provides a basis for understanding how inclusive leadership promotes innovative work behavior by increasing employees' sense of belonging and identification with their organization. Many writers have implicated leadership as a critical factor in the innovation process. However, such accounts have largely focused on the need for participative or collaborative leadership styles (Scott & Bruce, 1994). Inclusive leaders adopt a consensus-based approach by ensuring that all employees in their team are given the right to participate in decision-making processes and share their thoughts (Kaban, 2024). Previous research (Zhang & Zhou, 2024; Qureshi & Tasneem, 2024; AlMunthiri et al., 2024; Lee & Seo, 2023; Wu & Li, 2023; Rahmi & Desiana, 2023; Qi et al., 2019) revealed that inclusive leadership affects innovative performance. AlMunthiri et al. (2024) investigated the relationship between inclusive leadership and employees' innovative behavior, and their research demonstrated that inclusive leadership directly influences employees' innovative behavior. Similarly, research findings by Rahmi and Desiana (2023) and Zhang and Zhou (2024) proved that inclusive leadership positively and significantly impacted employees' innovative work behavior. Hu et al. (2009) knowledge sharing and team culture significantly influence service innovation performance. A study by Qureshi and Tasneem (2024) found that inclusive leadership has a strong and positively significant connection with employees' innovative performance. Lee and Seo (2023) found a positive association between inclusive leadership and innovative work behavior. Kaban (2024) researched family businesses and found that inclusive leadership positively influenced innovative behavior. A similar finding was revealed by Qi et al. (2019) that inclusive leadership had a significantly positive influence on innovative behavior under the mediation of perceived organizational support. This study investigated inclusive leadership as the predictor of service innovation performance. It is assumed that the characteristics of inclusive leaders, such as listening to new ideas, being open to new ways of improving processes and supporting the search for new and different ways of achieving goals (Carmeli et al., 2010), will encourage employees to show more service innovation performance. In this context, the first hypothesis of the study was proposed as follows:

H1: Inclusive leadership positively associated with service innovation performance.

2.4.2. The Moderating Role of Supervisor's Use of Empathetic Language

Leadership has been regarded as a key factor in impacting organizational innovation. The theoretical and empirical research show that organizational innovation sorely requires the leader's support (Ding et al., 2019). Assumptions about leaders' communication skills have often been simplistic and unidimensional despite leadership research's long and complex history (Mayfield et al., 1995). Empathetic language conveys that the organization supports its employees' best interests (Mayfield et al., 2014). Yin et al. (2024) found that digital business strategy was positively related to the service innovation performance of service firms. Market intelligence responsiveness mediated the positive effect of digital business strategy on service innovation performance of service firms. Lyu et al. (2023) revealed that the empirical results confirm that the three types of service supply chain dynamic capability (environment insight capability, resource integration capability and resource reconfiguration capability) can partially mediate the relationship between firm market orientation (responsive and proactive market orientations) and service innovation performance. In addition, supply chain collaboration has different moderator effects on the relationship between the three service supply chain dynamic capability types and service innovation performance. The study of Alshehail et al. (2022) showed that TQM has a significant impact on service innovation and sustainability performance in the UAE's public service sector.

Additionally, service innovation partially mediates the relationship between TQM and sustainability performance. Pai et al. (2022) researched IT employees and found that employees' engagement fully mediates the impact of innovative self-efficacy and social identification on service innovation

performance. Employees' customer orientation and feeling of trust strengthen the transformation of service innovation engagement into service innovation performance. AlMunthiri et al. (2024) investigated the relationship between inclusive leadership and employees' innovative performance, and their research demonstrated that work engagement mediates the relationship between inclusive leadership and employees' innovative performance. Based on this literature, the second hypothesis of the study was proposed as follows:

H2: Supervisor's use of empathetic language moderates the effect of inclusive leadership on service innovation performance.

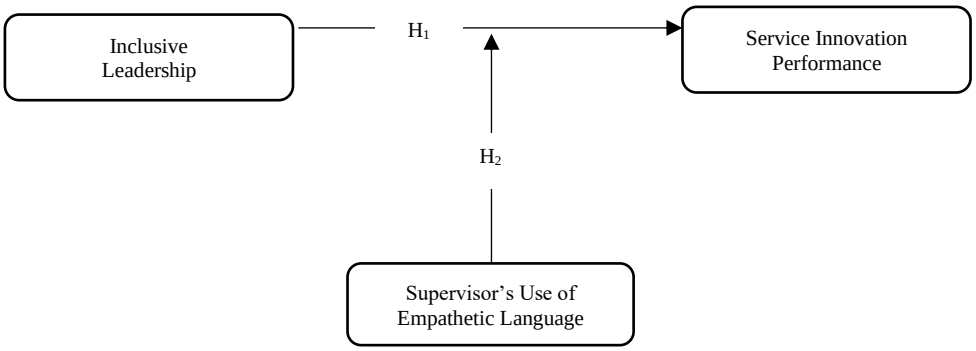

Figure 1. Proposed Research Model

3. METHOD

3.1. Sample and Data Collection

This study gathered data from employees working for a private bank operating in Istanbul between January and February. The reason for choosing employees working in the banking sector lies in the belief that this sector is appropriate for investigating the association among research constructs as this sector targets to provide the best service for their customers. The supervisors in this sector may present inclusive leadership to direct their employees to serve with innovative performance, and the use of empathetic language may moderate this association. The sample size of this study, chosen by convenience sampling method, consists of 300 employees who were reached out via the branch managers of a private bank. Of the 300 questionnaires distributed, 290 were returned, and 15 were excluded from the analysis due to incomplete completion; thorough, valid answers from 275 participants were considered suitable and included in the analysis. Table 1 below summarizes the demographic characteristics of the participants.

Table 1. Summary of Participants' Demographic (N=275)

Variable	Category	Frequency (f)	Percentage (%)
Gender	Male	104	37.8
	Female	171	62.2
Age	20≥	14	5.1
	21-30	122	44.3
	31-40	98	35.5
	41≤	41	15.1
Marital Status	Single	118	42.9
	Married	157	57.1
Education Level	Bachelor's degree	251	91.2
	Master's degree	24	8.8
Experience (years)	Less than 1	28	10.1
	1-5	98	35.6
	6-10	103	37.5
	11-15	32	11.7
	16 and above	14	5.1

The results in Table 1 show that female participants (62.2%) constituted a majority. Regarding age distribution, most respondents were represented by 21-30 years (44.23%). As for marital status, most participants were married (57.1%). Regarding the educational status of the respondents, it was found that the majority of them (91.2%) had bachelor's degrees, and there was an almost balanced distribution of experience in the groups of 1-5 years (35.6%) and 6-10 years (37.5%).

3.2. Instrumentation

Respondents were required to complete a questionnaire to provide data on inclusive leadership, service innovation behavior and empathetic language. Five questions about respondents' demographic characteristics were also included. The scales, originally prepared in English, were translated into Turkish by the back-translation technique (Maneesriwongul & Dixon, 2004).

Inclusive leadership: To assess inclusive leadership, the scale developed by Carmeli et al. (2010), which is frequently used in the literature and consists of three dimensions and nine statements, was utilized. A sample item is: "My leader is open to hearing new ideas."

Service innovation performance: To measure service innovation performance, a scale consisting of 6 items developed by Hu et al. (2009) was used. A sample item is: "At work, I try to propose my own creative ideas and convince others."

Empathetic language: A 6-item scale adapted by Hsu and Lai (2024) was preferred to assess employees' perceptions of their supervisors' use of empathetic language. A sample item is: "My supervisor gives me praise for my good work."

Participants' responses were measured on a 5-point Likert scale ranging from "1" = strongly disagree to "5" = strongly agree.

3.3. Data Analysis Approach

To test the research model, SPSS, AMOS and PROCESS macro were employed. Cronbach's alpha and combined reliability (CR) calculations for internal consistency, average variance explained (AVE) calculations for convergent validity, and the square root of average variance explained calculations for discriminant validity were analyzed. Fit index values were monitored for confirmatory factor analysis. Correlation analyses were conducted to evaluate the relationships between the constructs. Finally, analyses were conducted using Model 1 proposed by Hayes (2022) to test the hypotheses determined for the research.

4. RESULTS

This section consists of analytical process regarding the constructs of the research. The obtained results were presented below.

4.1. Measure Validity and Reliability

The measurement model determined for this research includes three main constructs: inclusive leadership, service innovation performance and the use of empathic language. Firstly, exploratory factor analysis and validity and reliability analyses were conducted to examine the construct validity of the scales used in the study. Table 1 below shows the results of exploratory factor analysis, Cronbach's alpha values, and CR and AVE values.

As a result of the explanatory factor analysis, it was found that the three scales used had single-factor structures. The KMO value for the scales was determined between 0.950-0.908, and the Barlett Sphericity test results ($p<0.001$) were suitable for factor analysis. The factor loadings of the inclusive leadership scale were between 0.872-0.748, the factor loadings of the service innovation performance scale were between 0.824-0.779, and the factor loadings of the use of the empathic language scale were between 0.775-0.651. These data were above the threshold value of 0.50 (Hair et al., 2022). When the reliability of the data obtained from the participants through the scales was examined, it was determined that the reliability coefficients for inclusive leadership, service innovation performance and use of empathic language were 0.978, 0.931 and 0.967 respectively, and all values were above the threshold value (George & Mallary, 2001).

On the other hand, the CR coefficients of the scales were between 0.94-0.88, which is quite above the threshold value of 0.70 (Mueller & Knapp, 2019). Since both cronbach's alpha values and CR values were above the expected values, it was found that internal consistency was established. For convergent validity, extracted variance explained values (AVE) of the scales were monitored, and according to the findings obtained, the AVEs of variables were found to be between 0.65 and 0.56, above the threshold value of 0.50 (Hair et al., 2022). According to these results, convergent validity was established.

Confirmatory factor analysis was applied to measure the validity of the scales for the findings obtained as a result of exploratory factor analysis. In this context, single-factor confirmatory factor analysis for the scales of inclusive leadership, service innovation performance and use of empathic language was conducted with the suggested modifications on the data transferred to AMOS software. According to the results obtained, CFI=0.981, TLI=0.969, RMSEA=0.08 for the inclusive leadership scale; CFI=0.988, TLI=0.974, RMSEA=0.08 for the service innovation performance scale and CFI=0.996, TLI=0.989, RMSEA=0.07 for the use of empathic language scale. These values indicate that the scales used in the study are sufficiently compatible.

Table 2. Validity and Reliability of Measures

Constructs	Items	Factor Loading	Cronbach α	CR	AVE
Inclusive Leadership	inclusiveleadership7	.872	0.978	0.94	0.65
	inclusiveleadership5	.843			
	inclusiveleadership9	.833			
	inclusiveleadership4	.821			
	inclusiveleadership8	.814			
	inclusiveleadership1	.803			
	inclusiveleadership6	.783			
	inclusiveleadership3	.772			
	inclusiveleadership2	.748			
KMO=0.950; Bartlett Test of Sphericity Chi-Square=3679.951; sd=36; sig=0.000					
Service Innovation Performance	serviceinnperformance6	.824	0.931	0.91	0.64
	serviceinnperformance2	.816			
	serviceinnperformance1	.816			
	serviceinnperformance4	.813			
	serviceinnperformance5	.786			
	serviceinnperformance3	.779			
KMO=0.905; Bartlett Test of Sphericity Chi-Square=1288.848; sd=15; sig=0.000					
Use of Empathetic Language	empatheticlanguage1	.775	0.967	0.88	0.56
	empatheticlanguage2	.773			
	empatheticlanguage3	.767			
	empatheticlanguage4	.763			
	empatheticlanguage6	.757			
	empatheticlanguage5	.651			
KMO=0.908; Bartlett Test of Sphericity Chi-Square=2175.615; sd=15; sig=0.000					

4.2. Results of Correlation Analysis

In order to assess the relationships between the variables, correlation analysis was performed and the results obtained are shown in Table 3. When the relevant values in the table are examined, it is determined that there is a statistically significant ($p<0.001$) and positively strong ($r=0.599$) relationship between inclusive leadership and service innovation performance; a statistically significant ($p<0.001$) and positively very strong ($r=0.856$) relationship between inclusive leadership and use of empathic language; and a statistically significant ($p<0.001$) and positively strong ($r=0.620$) relationship between service innovation performance and use of empathic language.

Table 3. Correlation Analysis

Constructs	IL	SIP	UEL	Mean	s.e.
Inclusive Leadership (IL)	(0.806)			4.62	0.65
Service Innovation Performance (SIP)	0.599**	(0.800)		4.36	0.68
Use of Empathetic Language (UEL)	0.856**	0.620**	(0,748)	4.56	0.69
Values in parentheses are square root of AVEs; **p<0.01					

Discriminant validity ensures that a measure is not highly correlated with other measures from which it is supposed to differ (Radomir & Moisescu, 2019). Fornell and Larcker (1981) emphasized that discriminant validity is provided when the square root values of the mean explained variance and correlation coefficients are compared if the square root values are higher than those in their rows and columns. As seen in Table 3, when all square root values and correlation coefficients are compared, it can be stated that discriminant validity is established in this study.

4.3. Hypothesis Testing

In order to test the first hypothesis of the research, linear regression analysis was applied through SPSS program. The results obtained are presented in Table 4.

Table 4. The Effect of Inclusive Leadership on Service Innovation Performance

Path	β	t	p
Inclusive Leadership ⟶ Service Innovation Performance	0.629	12.357	0.000*
$R^2 = 0.35$ F = 152.707 p = 0.000 < 0.001*			

*p<0.01

Considering the data in Table 4, it can be noted that the model established for the effect of inclusive leadership on service innovation performance is significant (p = 0.000 <0.01), and inclusive leadership positively affects employees' service innovation performance at the level of β = 0.629. Based on these results, as employees' perception of their supervisors as inclusive leaders increases, their service innovation performance also improves. Therefore, the first hypothesis of the study, which was proposed as "inclusive leadership positively associated with service innovation performance," was supported.

Table 5. Summary of Moderated Regression Analysis of Service Innovation Performance

	β	t	p	%95 (CI)	
				LLCI	ULCI
Constant	.396	.497	.425	-.581	1.373
Inclusive Leadership (A)	.459	.145	.000*	.209	.780
Use of Empathetic Language (B)	.709	.174	.000*	.365	1.052
Interaction A * B	-.072	.034	.038**	-.141	-.003

**p<0.05; *p<0.001

A moderation analysis was performed using centered variables. The PROCESS SPSS macro was utilized to analyze the data (Hayes, 2022). Altogether, 41.1% of the variables in service innovation performance were predicted by all of the variables (R^2 = 0.411, F = 63.117, p<0.001). Table 5 represents the unstandardized regression coefficients. The interaction effect was statistically significant (p = 0.038), indicating that using empathetic language moderated the effect of inclusive leadership on service innovation performance. This moderating effect is displayed in Figure 2. The graph shows that the association between inclusive leadership and service innovation performance is stronger for employees when the supervisor's use of empathetic language is high and is weaker for employees when the supervisor's use of empathetic language is low (Youtube, 2025). In light of these findings, the study's second hypothesis, proposed as "supervisor's use of empathetic language moderates the effect of inclusive leadership on service innovation performance," was supported.

The graph prepared to show this moderating effect depending on the variable of supervisor's use of empathic language is presented in Figure 2 below.

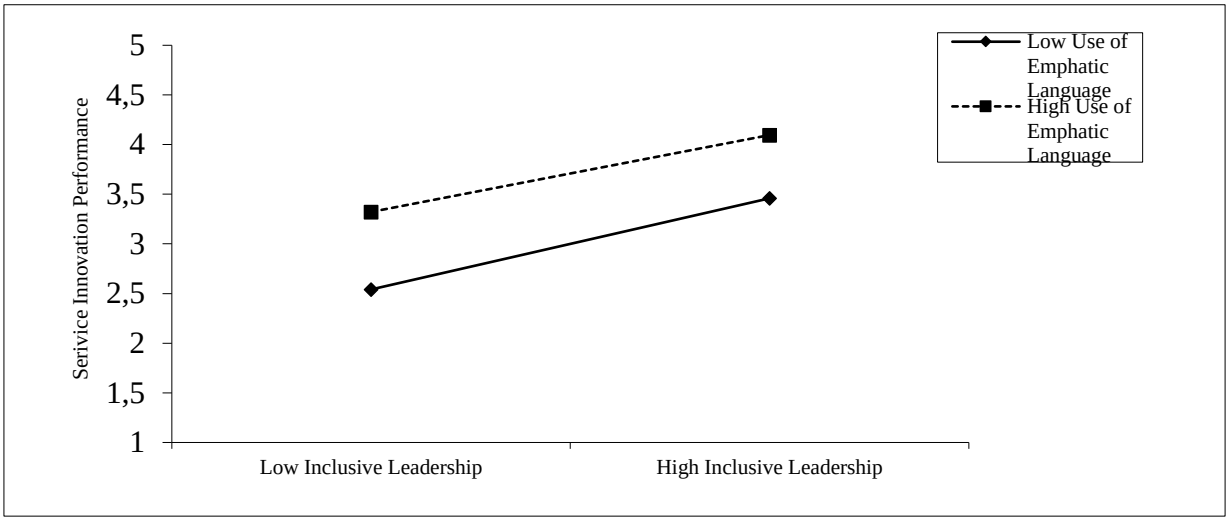

Figure 2. The Moderating Role of Supervisor's Use of Empathetic Language

As seen in Figure 2, when employees' perceptions of using empathic language are high, the effect of inclusive leadership on service innovation performance increases. In the case of low use of empathic language, the effect of inclusive leadership on service innovation performance relatively decreases. Therefore, it can be emphasized that supervisors' use of empathic language has a moderating role in the effect of inclusive leadership on service innovation performance.

5. CONCLUSION

Leadership behavior has become increasingly important when interactions and relationships between supervisors and employees are considered. Inclusive leadership, which includes a style that supports pluralistic behavior, productivity and diversity, requires directing subordinates to contribute. In this context, inclusive leadership can significantly impact employee performance. Considering the banking sector in which the study was conducted, it is possible to demand a performance that requires service-oriented innovation from employees due to the necessity of rapidly meeting the expectations of customers. Therefore, inclusive leadership can affect the service innovation performance of employees. In order to increase the performance of employees, in addition to the leadership style shown by supervisors, how they motivate their employees and what kind of tools they use while doing so come to the fore. One of these motivational tools is the empathic language that supervisors can use. Depending on supervisors' high or low use of empathic language, the effect of inclusive leadership on service innovation performance may differ.

In this context, the moderating role of empathic language in the effect of inclusive leadership on service innovation performance was assessed. The results obtained from the research conducted in the banking sector, where service performance is of great importance, are interpreted as follows.

First, the effect of inclusive leadership on service innovation performance was evaluated. The findings revealed that inclusive leadership positively affects service innovation performance. This result is similar to previous studies in the literature (Zhang & Zhou, 2024; Çelik et al., 2024; Qureshi & Tasneem, 2024; AlMunthiri et al., 2024; Lee & Seo, 2023; Wu & Li, 2023; Rahmi & Desiana, 2023; Qi et al., 2019). Accordingly, business leaders who adopt inclusive leadership increase service-oriented innovation performance by encouraging employees to contribute to focus on their productivity.

Another study finding is the moderating effect of the use of empathic language. In this context, empathic language use moderates the effect of inclusive leadership on service innovation performance. Previous studies in the related literature (Pai et al., 2022; AlMunthiri et al., 2024) reveal the mediating effect of variables such as work engagement, self-efficacy and identification, but the moderating effect of different variables, especially the use of empathic language, has not been emphasized. Therefore, the main result of this study is that the use of empathic language affects the service innovation performance of inclusive leadership. Employees whose service innovation performance increases due to inclusive leadership perform better if their managers use highly empathic language. If managers' use of empathic language decreases, the effect of inclusive leadership on service innovation performance decreases relatively.

In addition to the theoretical implications mentioned above, some practical implications are also presented within the scope of the results obtained from this research. First, it would be useful for today's organizations to support their supervisors in developing inclusive leadership behaviors within different leadership styles. In this context, in addition to planning inclusive leadership training, human resources can be directed to make choices with inclusive leadership characteristics in recruiting senior managers. In addition, employees can be encouraged for service innovation, provided with the necessary resources and tools to increase their performance, and supported to focus more on service innovation by setting goals and objectives with their leaders. Finally, managers must raise awareness about using empathic language and improve their leadership styles. For using empathic language as a powerful motivational tool, training and developing organization leaders and providing work environments that will increase the use of empathic language will be beneficial.

The research has some limitations. Firstly, the research was conducted on the employees in the field of banking in the service sector in Istanbul. Different sub-sectors, such as accommodation management and food and beverage under the service sector, can be assessed as a sample in future research. Secondly, since the study was designed as a cross-sectional study, the possibility that opinions on research variables may change within the scope of the time dimension was not considered. Future research can include the longitudinal method by considering this constraint. In addition to examining the moderating effect of empathic language use within the scope of the relationships between different variables in future studies, evaluating the mediating effect may also be recommended.

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