

Does Inclusive Leadership Strengthen the Relationship between Organizational Agility and Psychological Capital? Evidence from Textile Firms in Pakistan

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Abstract

In increasingly dynamic and uncertain business environments, organizations must develop adaptive capabilities that enable them to respond effectively to rapid market and technological changes. Among such capabilities, organizational agility has emerged as a critical factor that supports organizational responsiveness and adaptability. However, while prior research has primarily focused on the strategic and performance-related outcomes of agility, relatively little attention has been paid to its psychological implications for employees. Addressing this gap, the present study examines the relationship between organizational agility and employees' psychological capital, while also investigating the moderating role of inclusive leadership in this relationship. Grounded in Self-Determination Theory, the study proposes that agile organizational environments enhance employees' psychological resources by fostering autonomy, competence, and supportive work conditions. Data were collected from employees working in textile firms in Pakistan using a structured questionnaire. A total of 302 valid responses were obtained and analyzed using structural equation modeling and hierarchical regression techniques. The findings reveal that organizational agility has a significant positive effect on employees' psychological capital, indicating that agile work environments contribute to the development of hope, resilience, optimism, and self-efficacy among employees. Furthermore, the results demonstrate that inclusive leadership significantly moderates this relationship, such that the positive effect of organizational agility on psychological capital becomes stronger when inclusive leadership is high. This study contributes to the literature in several ways. First, it extends organizational agility research by highlighting its influence on employee psychological resources rather than focusing solely on organizational performance outcomes. Second, it identifies inclusive leadership as an important boundary condition that strengthens the psychological benefits of agile organizational practices. Finally, the study offers practical insights for textile firms seeking to build resilient and psychologically empowered workforces capable of adapting to rapidly changing industrial environments.

Keywords: Organizational agility, psychological capital, inclusive leadership, textile industry, employee resilience, positive organizational behavior.

Article Details:

Received on 11 Feb, 2026

Accepted on 07 March, 2026

Published on 08 March, 2026

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Introduction

In an increasingly volatile and competitive global business environment, organizations are required to continuously adapt to rapid technological advancements, fluctuating market conditions, and evolving customer expectations. Such challenges are particularly evident in labor-intensive and export-oriented industries, where organizations must remain flexible and responsive to maintain competitiveness (Ananth Alias Rohith Bhat et al., 2025; Bradstreet, 2024). Within this context, organizational agility has emerged as a critical capability that enables firms to swiftly respond to environmental changes, reconfigure resources, and sustain performance in dynamic markets (Abourokbah et al., 2023; Afridi, Khan, et al., 2021). Organizational agility refers to an organization's ability to sense environmental changes and rapidly adjust strategies, structures, and processes to respond effectively to emerging opportunities and threats (Rasheed et al., 2023; Sharifi & Zhang, 1999). While previous research has largely examined the strategic and operational benefits of agility at the organizational level (Prieto & Talukder, 2023; Srigouri & Muduli, 2024; Talwar et al., 2023), limited attention has been given to its psychological consequences for employees.

Employees represent a vital source of competitive advantage, especially in industries such as textiles, where operational efficiency and innovation rely heavily on the workforce (Abbas & Bhutto, 2024; Akhuand & Abbas, 2023; Ananth Alias Rohith Bhat et al., 2025). In this regard, psychological capital (PsyCap)—a positive psychological state characterized by hope, resilience, optimism, and self-efficacy (Gordani & Sadeghzadeh, 2023; Ibrahim, 2022; Luthans et al., 2007)—has gained increasing scholarly attention within the field of positive organizational behavior. Employees with high levels of psychological capital are more confident in their abilities, better equipped to cope with challenges, and more likely to demonstrate proactive and adaptive behaviors that enhance organizational effectiveness. Despite its importance, relatively little empirical research has examined how organizational-level capabilities such as agility contribute to the development of employees' psychological capital.

The relationship between organizational agility and employees' psychological resources may not occur automatically (Ibrahim & Hassan, 2025; Novitasari et al., 2020; Su & Hahn, 2023); rather, it may depend on contextual and leadership-related factors within organizations. Leadership plays a pivotal role in shaping how employees perceive organizational practices and respond to organizational changes (Abbas, 2024; Aboramadan et al., 2022; Afridi et al., 2024; Ibrahim & Khan, 2025). Among emerging leadership paradigms, inclusive leadership has gained prominence due to its emphasis on openness, accessibility, and the encouragement of diverse perspectives (Aboramadan et al., 2022; Lee & Seo, 2024; Orekoya, 2024). Inclusive leaders foster a supportive work environment where employees feel valued, respected, and psychologically safe. Such an environment may amplify the positive influence of organizational agility by enabling employees to interpret organizational change as an opportunity rather than a threat, thereby strengthening their psychological capital.

The textile industry represents a particularly relevant context for examining these relationships. As one of the largest contributors to exports and employment in Pakistan (Bradstreet, 2024), the textile sector faces intense global competition, technological disruptions, and fluctuating demand patterns (Afridi, Asad, et al., 2023; Ibrahim et al., 2025). These pressures require organizations to develop agile structures and adaptive workforces capable of responding effectively to environmental uncertainties. However, the success of agility initiatives depends largely on employees' psychological readiness and their ability to maintain optimism, resilience, and confidence in the face of change (Almazrouei et al., 2024;

Muduli & Choudhury, 2024). Therefore, understanding how organizational agility influences employees' psychological capital, and the conditions under which this relationship becomes stronger, is critical for both scholars and practitioners.

Drawing on insights from positive organizational behavior and leadership literature, the present study examines the relationship between organizational agility and employees' psychological capital, while exploring the moderating role of inclusive leadership. Specifically, this study proposes that inclusive leadership strengthens the positive relationship between organizational agility and psychological capital by fostering a supportive and empowering work environment. By focusing on textile firms in Pakistan, the study contributes to the growing body of research on agility and employee well-being in emerging economies.

This research makes several important contributions. First, it extends the organizational agility literature by examining its psychological implications for employees rather than focusing solely on organizational performance outcomes. Second, the study contributes to the positive organizational behavior literature by identifying organizational agility as an important antecedent of psychological capital. Third, by introducing inclusive leadership as a moderating mechanism, the study highlights the critical role of leadership in translating organizational capabilities into positive employee outcomes. Finally, by focusing on Pakistan's textile industry, the study provides context-specific insights into how organizations in developing economies can foster resilient and psychologically empowered workforces in an era of rapid change.

Literature Review and Hypotheses Development

Theoretical Foundation

This study is grounded in Self-Determination Theory (SDT) (Deci & Ryan, 2012; Ryan & Deci, 2024), which explains how supportive organizational environments foster individuals' intrinsic motivation, psychological well-being, and personal development. SDT posits that individuals thrive when three fundamental psychological needs—autonomy, competence, and relatedness—are fulfilled. Organizational practices and leadership behaviors that support these needs enhance employees' psychological resources, engagement, and overall functioning. Within organizational settings, agile structures and processes often provide employees with greater flexibility, participation in decision-making, and opportunities to respond creatively to environmental challenges (Halalmeh, 2021; Pitafi et al., 2023; Rasheed et al., 2023). Such conditions may satisfy employees' needs for autonomy and competence, thereby strengthening their positive psychological capacities. Similarly, leadership styles that promote openness and inclusion may reinforce employees' sense of belonging and psychological safety, further enhancing their psychological development. Drawing on SDT, this study proposes that organizational agility acts as a contextual resource that fosters employees' psychological capital, while inclusive leadership strengthens this relationship by creating a supportive and empowering work environment.

Organizational Agility and Psychological Capital

In contemporary organizations characterized by uncertainty and rapid technological change, organizational agility has become a critical capability for maintaining competitiveness (Halalmeh, 2021; Heckler & Powell, 2016; Muduli & Choudhury, 2024). Organizational agility refers to a firm's ability to sense environmental changes and respond swiftly through flexible decision-making, resource reconfiguration, and adaptive strategies (Heckler & Powell, 2016; Rastogi & Pandita, 2025; Sharifi & Zhang, 1999). Agile organizations encourage experimentation, learning, and collaboration, enabling employees to participate actively in problem-solving and innovation. Such agile environments can positively influence employees'

psychological states. Psychological capital (PsyCap) represents an individual's positive psychological development and consists of four key components: hope, optimism, resilience, and self-efficacy (Miao et al., 2022; Singh et al., 2023; Su & Hahn, 2023). Employees with high PsyCap tend to demonstrate greater confidence, perseverance, and adaptability in the face of challenges (Afridi, Shahjehan, et al., 2021; Ibrahim & Hassan, 2025; Sajid et al., 2025). Agile organizations often empower employees to make decisions, learn from failures, and contribute ideas, which may enhance their confidence and ability to overcome obstacles (Afridi et al., 2020; Almazrouei et al., 2024; Ibrahim & Inayat, 2025). From the perspective of Self-Determination Theory, organizational agility can satisfy employees' needs for autonomy and competence by providing greater flexibility and opportunities for skill development. When employees perceive that their organization supports adaptive practices and encourages innovative thinking, they are more likely to develop confidence in their capabilities and maintain a positive outlook toward work challenges. Consequently, agile organizational environments may foster higher levels of psychological capital among employees.

Empirical studies have also shown that supportive and adaptive organizational environments can enhance employees' psychological resources and resilience (see e.g., Afridi & Ibrahim, 2026; Ibrahim et al., 2026; Prieto & Talukder, 2023; Talwar et al., 2023; Tandon et al., 2024). In dynamic industries such as textiles, where employees frequently encounter operational pressures and market uncertainties, agile practices may help individuals remain optimistic, resilient, and confident in their ability to handle change. Therefore, organizational agility may play a critical role in developing employees' psychological capital.

H1: Organizational agility is positively associated with employees' psychological capital.

Moderating Role of Inclusive Leadership

Although organizational agility may create favorable conditions for employee development, the extent to which employees benefit from these conditions may depend on leadership behaviors (Abbas, 2024; Adams et al., 2019; Afridi & Haider, 2018). Leadership plays a crucial role in shaping employees' interpretations of organizational practices and influencing their psychological responses to change (Afridi, Javed, et al., 2023; Ashraf et al., 2022). Inclusive leadership is characterized by openness, accessibility, and the active encouragement of diverse perspectives within the workplace (Budreikaitė et al., 2024; Carmeli et al., 2010). Inclusive leaders value employee contributions, promote fairness, and ensure that individuals feel respected and included in decision-making processes (Aboramadan et al., 2022; Lee & Seo, 2024; Orekoya, 2024; Patwary et al., 2022; Randel et al., 2018). By fostering trust and psychological safety, inclusive leadership creates an environment in which employees feel comfortable expressing ideas and engaging in collaborative problem-solving (Srivastava & Singh, 2023; Zhao et al., 2020). Within agile organizations, employees are often required to adapt quickly, experiment with new approaches, and handle uncertainty. While such conditions may create opportunities for growth, they may also generate stress or ambiguity. Inclusive leaders can mitigate these challenges by providing emotional support, constructive feedback, and recognition of employees' contributions. In doing so, they help employees interpret organizational changes as opportunities for learning and development rather than threats. From the perspective of Self-Determination Theory, inclusive leadership fulfills employees' need for relatedness by fostering supportive relationships between leaders and followers. When employees perceive their leaders as inclusive and supportive, they are more likely to feel valued and psychologically secure, which enhances their confidence and

optimism. Consequently, inclusive leadership may strengthen the positive influence of organizational agility on employees' psychological capital.

In highly competitive sectors such as the textile industry, inclusive leadership can play a particularly important role in ensuring that employees remain psychologically resilient and motivated while adapting to organizational changes. By encouraging participation, recognizing employee contributions, and promoting an inclusive climate, leaders can amplify the psychological benefits of organizational agility.

H₂: *Inclusive leadership moderates the relationship between organizational agility and psychological capital such that the relationship is stronger when inclusive leadership is high rather than low.*

Conceptual Framework

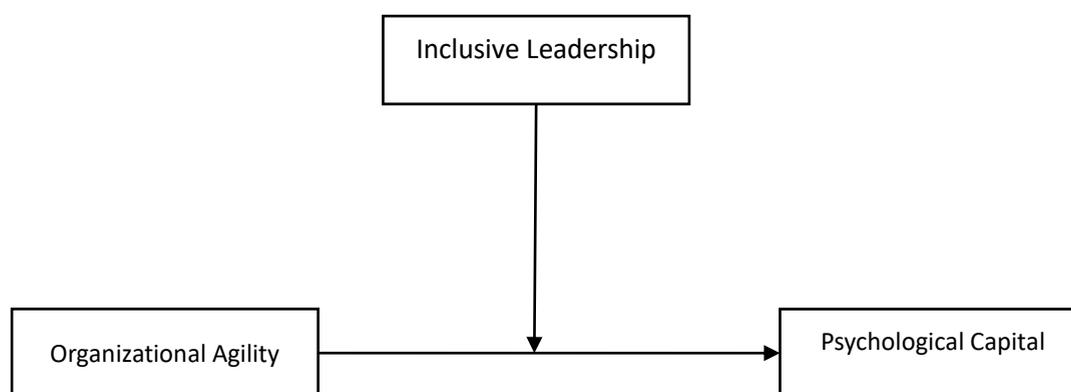


Fig. 1: Conceptual Framework

Methodology

Research Design and Sample

This study employed a quantitative research design to examine the relationship between organizational agility and employees' psychological capital, as well as the moderating role of inclusive leadership. A survey-based method was adopted because it allows researchers to collect standardized data from a large number of respondents and test hypothesized relationships among constructs. The study was conducted in the textile industry of Pakistan, which is one of the country's largest manufacturing sectors and a major contributor to exports and employment. The industry operates in a highly dynamic and competitive environment characterized by technological changes, fluctuating market demand, and global competition. Such conditions make it a suitable context for examining organizational agility and employee psychological resources. The target population consisted of full-time employees working in textile manufacturing firms. Employees from various functional departments, including production, quality control, administration, and marketing, were included in the study to ensure diversity in perspectives. Using a purposive sampling technique, questionnaires were distributed to employees working in medium and large textile firms located in major industrial clusters. A total of 420 questionnaires were distributed, out of which 326 responses were returned. After screening for incomplete responses and missing values, 302 valid questionnaires were retained for the final analysis, resulting in a response rate of approximately 72%. This sample size is considered adequate for structural equation modeling and moderation analysis.

Data Collection Procedure

Data were collected through a structured questionnaire administered to employees working in textile firms. Prior to data collection, respondents were informed about the purpose of the study and assured that their responses would remain confidential and used solely for academic purposes. Participation was voluntary, and respondents were encouraged to provide honest and unbiased answers. To reduce the possibility of common method bias, several procedural remedies were adopted. First, respondents were assured of anonymity to minimize social desirability bias. Second, the questionnaire items were arranged in a random order to reduce response pattern effects. Third, clear instructions were provided to respondents to ensure accurate understanding of the questions.

Measurement of Variables

All study variables were measured using well-established scales adopted from previous studies. Responses were recorded using a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree.

Organizational Agility

Organizational agility was measured using a multi-item scale adapted from prior research on agile organizational capabilities. The scale captures the organization's ability to sense environmental changes, respond quickly to market dynamics, and adapt internal processes accordingly. Sample items include statements such as:

"Our organization quickly responds to changes in customer needs."

and *"Employees in this organization are encouraged to adapt to new situations."*

Psychological Capital

Psychological capital was measured using the widely used Psychological Capital Questionnaire (PCQ) developed by Fred Luthans and colleagues. This scale assesses the four dimensions of psychological capital: hope, optimism, resilience, and self-efficacy. Respondents indicated the extent to which they agreed with statements such as:

"I feel confident in representing my work area in meetings with management."

and *"I can think of many ways to reach my current work goals."*

Inclusive Leadership

Inclusive leadership was measured using an established scale that captures leaders' openness, accessibility, and support for employee participation. The scale assesses the extent to which leaders encourage diverse viewpoints and create an inclusive work environment. Sample items include:

"My supervisor encourages different viewpoints when solving problems."

and *"My supervisor is open to hearing new ideas."*

Control Variables

Several control variables were included in the analysis to account for potential demographic influences on psychological capital. These variables included gender, age, education level, and organizational tenure, as prior studies suggest that demographic factors may influence employees' psychological attitudes and workplace behaviors.

Ethical Considerations

The study adhered to standard ethical research practices. Respondents were informed about the purpose of the study and were assured that their responses would remain anonymous and confidential. Participation was voluntary, and respondents had the option to withdraw from the study at any time. No personally identifiable information was collected during the data collection process.

Data Analysis and Results

Descriptive Statistics and Correlation Analysis

Descriptive statistics and correlation analysis were conducted to examine the means, standard deviations, reliability coefficients, and interrelationships among the study variables. Reliability was assessed using Cronbach’s alpha, where values above 0.70 indicate acceptable internal consistency. The results presented in Table 1 show that all constructs demonstrate satisfactory reliability levels. Furthermore, the correlation coefficients indicate significant positive relationships among the variables, providing preliminary support for the hypothesized relationships. The correlation results show that organizational agility is positively correlated with psychological capital ($r = 0.52, p < .01$), providing initial support for H1.

Table 1: *Descriptive Statistics, Reliability, and Correlations*

Variable	Mean	SD	α	1	2	3
1. Organizational Agility	3.72	0.68	0.88	—		
2. Inclusive Leadership	3.65	0.71	0.90	0.46**	—	
3. Psychological Capital	3.81	0.63	0.91	0.52**	0.49**	—

Note: $N = 302, p < .01$

Confirmatory Factor Analysis (CFA)

A Confirmatory Factor Analysis (CFA) was conducted to examine the validity of the measurement model. The hypothesized three-factor model consisting of organizational agility, inclusive leadership, and psychological capital demonstrated an acceptable model fit. Commonly used model fit indices were evaluated, including χ^2/df , CFI, TLI, RMSEA, and SRMR. The results indicate that the measurement model provides a satisfactory fit to the data. The results confirm that the proposed measurement model demonstrates an acceptable fit.

Table 2: *Measurement Model Fit Indices*

Model	χ^2/df	CFI	TLI	RMSEA	SRMR
Three-Factor Model	2.11	0.94	0.93	0.061	0.048

Convergent Validity

Convergent validity was assessed using factor loadings, composite reliability (CR), and average variance extracted (AVE). Factor loadings above 0.60, CR above 0.70, and AVE above 0.50 indicate adequate convergent validity. All constructs meet the recommended thresholds, confirming adequate convergent validity.

Table 3: *Convergent Validity Results*

Construct	Items	Factor Loadings	CR	AVE
Organizational Agility	5	0.68–0.83	0.89	0.61
Inclusive Leadership	6	0.71–0.86	0.91	0.63
Psychological Capital	8	0.69–0.87	0.92	0.60

Discriminant Validity (HTMT)

Discriminant validity was assessed using the Heterotrait–Monotrait ratio (HTMT). Values below 0.85 indicate adequate discriminant validity. All HTMT values are below the recommended threshold of 0.85, confirming discriminant validity.

Table 4: *HTMT Results*

Constructs	1	2	3
Organizational Agility	—		



Constructs	1	2	3
Inclusive Leadership	0.61	—	
Psychological Capital	0.66	0.64	—

Hypothesis Testing

To test the hypotheses, hierarchical regression analysis was conducted. Variables were entered in three steps:

- Model 1: Control variables
- Model 2: Independent variable
- Model 3: Interaction term (moderation)

Direct Effect

The regression results show that organizational agility has a significant positive effect on psychological capital ($\beta = 0.41, p < .001$), supporting H1.

Moderation Analysis

To test the moderating role of inclusive leadership, the interaction term between organizational agility and inclusive leadership was included in the regression model. The interaction term is positive and significant ($\beta = 0.18, p < .01$), indicating that inclusive leadership strengthens the positive relationship between organizational agility and psychological capital. Therefore, H2 is supported.

Table 5: Hierarchical Regression Results

Variables	Model 1	Model 2	Model 3
Age	0.05	0.04	0.03
Gender	-0.03	-0.02	-0.02
Education	0.06	0.05	0.04
Organizational Agility	—	0.41***	0.29***
Inclusive Leadership	—	0.36***	0.31***
Agility × Inclusive Leadership	—	—	0.18**
R ²	0.04	0.39	0.43
ΔR ²	—	0.35	0.04

Note: ***p < .001, **p < .01

Moderation Plot Interpretation

To further interpret the moderating effect, an interaction plot was generated. The results show that when inclusive leadership is high, the positive relationship between organizational agility and psychological capital becomes stronger. In contrast, when inclusive leadership is low, the relationship becomes comparatively weaker. This finding suggests that inclusive leaders play a crucial role in enhancing employees’ psychological resources by fostering a supportive and participative environment within agile organizations.

Moderating Effect of Inclusive Leadership on the Relationship between Organizational Agility and Psychological Capital

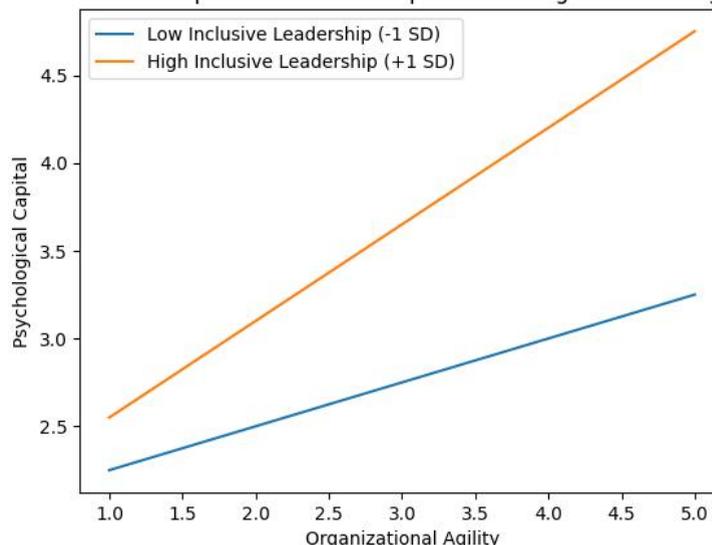


Fig. 2: Moderation Plot

Discussion

The purpose of this study was to examine the relationship between organizational agility and employees’ psychological capital, while investigating the moderating role of inclusive leadership in the textile industry. The findings provide empirical evidence that organizational agility significantly enhances employees’ psychological capital and that inclusive leadership strengthens this relationship. These results offer valuable insights into how organizational capabilities and leadership behaviors jointly influence employees’ psychological resources in dynamic industrial environments. First, the results demonstrate that organizational agility has a significant positive effect on psychological capital. This finding supports the proposition that agile organizational systems not only improve operational efficiency but also foster employees’ positive psychological states. Agile organizations are characterized by flexible structures, rapid decision-making, and an openness to innovation and experimentation (Abourokbah et al., 2023; Almazrouei et al., 2024; Halalmeh, 2021). Such environments encourage employees to participate actively in problem-solving and adapt to changing circumstances. As a result, employees develop stronger levels of hope, optimism, resilience, and self-efficacy—key dimensions of psychological capital. These findings are consistent with the principles of Self-Determination Theory (De Clerck et al., 2024; Deci & Ryan, 2012), which suggest that environments that support autonomy and competence enhance individuals’ intrinsic motivation and psychological development.

In the context of textile firms, where employees frequently face production pressures, market volatility, and technological changes (Abbas & Bhutto, 2024; Akhuand & Abbas, 2023; Ananth Alias Rohith Bhat et al., 2025), organizational agility appears to serve as a critical organizational resource that helps employees cope with uncertainty. When organizations are able to respond quickly to external changes and provide employees with opportunities to adapt and innovate, employees are more likely to perceive challenges as opportunities rather than threats. This perception strengthens their psychological resilience and confidence in dealing with workplace demands (Gordani & Sadeghzadeh, 2023; Singh et al., 2023). Second, the results reveal that inclusive leadership significantly moderates the relationship between organizational agility and psychological capital. Specifically, the positive relationship between organizational agility and psychological capital becomes stronger when employees perceive higher levels of inclusive leadership. This finding highlights the critical role of

leadership behavior in shaping employees' interpretations of organizational practices and their psychological responses to workplace changes. Inclusive leaders create an environment characterized by openness, respect, and encouragement of diverse perspectives. By actively involving employees in decision-making and valuing their contributions, inclusive leaders foster psychological safety and trust within the workplace. In agile organizations, where employees are often required to adapt to new processes, experiment with innovative solutions, and manage uncertainty, the presence of inclusive leadership becomes particularly important. Employees who perceive their leaders as inclusive are more likely to feel supported and confident when navigating organizational changes. This finding suggests that leadership acts as a contextual mechanism that translates organizational capabilities into positive psychological outcomes. Even in organizations that possess strong agile capabilities, the absence of supportive leadership may limit employees' ability to fully benefit from such organizational structures. Conversely, inclusive leadership amplifies the psychological benefits of organizational agility by creating a supportive and empowering work environment. The findings of this study are particularly relevant for the textile sector, which is one of the most dynamic and competitive industries in developing economies. Textile firms operate under conditions of global competition, fluctuating demand, and continuous technological advancements. These challenges require organizations to develop agile structures and adaptive workforces. However, agility alone may not be sufficient to ensure employee well-being and sustained performance. Leadership practices that promote inclusion, collaboration, and employee empowerment are essential for maximizing the benefits of organizational agility.

Theoretical Contributions

This study makes several important contributions to the literature on organizational behavior, leadership, and positive organizational psychology. First, the study contributes to the literature on organizational agility by extending its implications beyond operational and strategic outcomes to include employee-level psychological outcomes. While previous studies have largely focused on how agility influences firm performance, innovation, and competitiveness, relatively little attention has been given to its impact on employees' psychological resources. By demonstrating that organizational agility enhances psychological capital, this study highlights the human and psychological dimensions of agile organizational systems. Second, this research contributes to the growing body of literature on psychological capital. Although prior research has identified various antecedents of psychological capital, most studies have focused on individual characteristics or leadership behaviors. This study expands the literature by identifying organizational agility as an important organizational-level antecedent of employees' psychological capital. In doing so, it provides a more comprehensive understanding of how organizational structures and practices influence employees' psychological development. Third, this study advances leadership research by highlighting the boundary role of inclusive leadership. Previous studies have primarily examined inclusive leadership as a direct predictor of employee attitudes and behaviors. The present research extends this perspective by demonstrating that inclusive leadership functions as a moderating mechanism that strengthens the relationship between organizational agility and psychological capital. This finding suggests that leadership behaviors play a critical role in enabling employees to derive psychological benefits from organizational capabilities. Fourth, the study enriches the application of Self-Determination Theory within organizational research. By demonstrating that agile organizational environments and inclusive leadership jointly foster employees' psychological resources, the

findings provide empirical support for the theory's proposition that supportive social contexts facilitate psychological growth and motivation. Finally, the study contributes to the limited body of research focusing on emerging economies and labor-intensive industries. By examining textile firms in Pakistan, the research provides valuable insights into how organizations operating in developing economies can foster psychologically resilient and adaptive workforces in rapidly changing environments.

Practical Implications for Textile Firms

The findings of this study offer several important implications for managers and policymakers in the textile industry. First, textile firms should prioritize the development of organizational agility as a strategic capability. Agile organizations are better equipped to respond to market fluctuations, technological changes, and evolving customer demands. Managers can enhance organizational agility by adopting flexible organizational structures, promoting cross-functional collaboration, and encouraging continuous learning and innovation. Second, organizations should invest in initiatives that enhance employees' psychological capital. Training programs focused on resilience, optimism, and confidence-building can help employees develop stronger psychological resources. Such programs are particularly valuable in industries like textiles, where employees often face high workloads and production pressures. Third, leadership development programs should emphasize the importance of inclusive leadership behaviors. Leaders who demonstrate openness, accessibility, and respect for diverse perspectives create environments where employees feel valued and empowered. Inclusive leadership encourages employees to share ideas, participate in decision-making, and contribute to organizational innovation. Fourth, textile firms should integrate agility and inclusive leadership practices into their human resource strategies. For example, organizations can encourage participative decision-making, establish open communication channels, and create systems that recognize and reward employee contributions. Finally, organizations should recognize that employee psychological resources are essential for maintaining long-term competitiveness. By fostering supportive leadership and agile organizational practices, textile firms can create resilient workforces capable of adapting to ongoing industry changes.

Limitations and Future Research Directions

Despite its contributions, this study has several limitations that should be acknowledged. First, the study employed a cross-sectional research design, which limits the ability to establish causal relationships among the variables. Future research may adopt longitudinal designs to better capture the dynamic relationship between organizational agility and psychological capital over time. Second, the data were collected from employees working in textile firms within a single country. Although this context provides valuable insights, the generalizability of the findings may be limited. Future studies could examine similar relationships in other industries or countries to enhance the external validity of the results. Third, the study relied on self-reported data, which may introduce the possibility of common method bias. Although procedural remedies were implemented to minimize this concern, future research could collect multi-source data, such as combining employee responses with supervisor evaluations. Fourth, the study focused on inclusive leadership as a moderating variable. Future research may explore additional contextual factors that influence the relationship between organizational agility and psychological capital. For example, variables such as psychological safety, organizational support, or transformational leadership may also play important roles in shaping employee psychological outcomes. Finally, future studies could extend the proposed model by examining mediating mechanisms that explain how

organizational agility influences psychological capital. Variables such as employee engagement, learning orientation, or job crafting may provide deeper insights into the psychological processes underlying this relationship.

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