

Workplace Diversity, Equity and Inclusion: A Human Resource Management Perspective

Jaspreet Kaur¹ | Dr. Ravinderjit Singh^{2*}

¹Research Scholar, Department of Commerce, Punjabi University, Patiala, Punjab, India.

²Supervisor, Associate Professor, Khalsa College, Patiala, Punjab, India.

*Corresponding Author: jaspreet.sharry7777@gmail.com

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ABSTRACT

The purpose of this study is to examine the relationships between human resource management (HRM) practices, organisational performance, and inclusion, equity, and diversity in the workplace. In the framework of activities promoting inclusion, equity, and diversity, this study delves into the retention and turnover rates. Furthermore, the study delves into the ways in which gender plays a part in HRM policies that promote diversity, equity, and inclusion, and how these HRM policies affect the success and competitive advantage of businesses. Examining survey data allowed for the use of a quantitative methodology throughout the investigation. The study's results show that gender is significantly related to HRM strategies that highlight the importance of inclusion, equity, and diversity. There does not appear to be a correlation between the success of diversity, inclusion, and equity programs and the retention rate of employees. Enhancing organisational performance is a major goal of human resource management that is committed to diversity, inclusion, and equity. Significant management implications are shown by the results, which stress the need for gender-sensitive HRM practices, the ongoing assessment of diversity, inclusion, and equity programs, their integration into the overarching organization's strategy, and the creation of an inclusive and supportive work environment.

Keywords: Human Resources, Employee Engagement, Inclusion, Diversity, Equity, Management Practices, Workplace.

Introduction

In recent years, there has been a growing recognition of the importance of inclusion, equity, and diversity in the workplace. Organisations are starting to focus initiatives to promote diversity, equity, and inclusion and cultivate a culture that celebrates and promotes diversity as they realise the benefits of a varied workforce (Minghua, 2022). In today's fast-paced, globally interdependent corporate world, diversity and inclusion are now critical to an organization's success. As a result of demographic shifts, technology advances, and increased international trade, today's workforce is more diverse than ever before in terms of background, culture, and perspective (Saha et al., 2024). Consequently, businesses that want to succeed in this complex setting must foster an inclusive and diverse culture.

Companies nowadays value diversity and inclusion in the workplace highly. Representation of different demographic groups "such as ethnicity, sexual orientation, gender, age, disability, and traditional heritage" is what makes an organisation diverse (Nair & Vohra, 2015). Being inclusive, on the other hand, is creating a work environment where every employee can thrive and contribute to the company's success because they are all valued, respected, and supported (Tessema et al., 2023). Collaboratively,

diversity and inclusion foster an equitable and respectful work environment where every employee can thrive. Diversity and inclusion are two concepts that should be highly prioritised in the workplace. Research shows that diverse and inclusive workplaces are more productive, creative, and profitable overall (Theodorakopoulos & Budhwar, 2015; Jerónimo et al., 2022; Kiradoo, 2022). Increased diversity in the workplace increases a company's chances of success by increasing the likelihood that diverse teams will come up with novel and original solutions to problems.

Multiple studies have found that inclusion, diversity and equity activities in the workplace help create a more positive and productive atmosphere (Theodorakopoulos & Budhwar, 2015; Krithi & Pai, 2021; Jerónimo et al., 2022; Kiradoo, 2022). Parts of the workforce have been denied basic rights, equitable treatment, respect, and their worth as human beings due to the lack of inclusion, diversity and equity in the labour markets around the globe. Workers would feel more united and supportive of one another if they were able to accommodate and integrate diverse individuals. When people from different generations, ethnicities, socioeconomic backgrounds, marital statuses, abilities, perspectives on religion, sexual orientations, and languages are present in a workplace, we say that there is diversity in that workplace (Luu, 2019). When we talk about workplace equity, we're talking about making sure that everyone, no matter their differences, has equal access, equitable treatment, opportunity, and progress (Yadav & Lenka, 2020). While equality assumes that everyone is deserving of the same treatment, equity recognises that various individuals may have varying needs in terms of access to opportunities and resources. Encouraging a welcoming, supportive, and inclusive work environment is an artistic form of inclusion. One aspect of this is creating an environment free from prejudice and discrimination, where all members can fully engage and contribute (Chugh, 2024).

Diversity and inclusion go beyond just meeting legal requirements; they have a profound impact on organisational success, creativity, and employee engagement. Many studies have shown that diverse teams outperform homogeneous ones (Ferdman & Deane, 2014; Isibor et al., 2025; Khassawneh & Mohammad, 2025). This is because diverse teams bring different perspectives to the table, which helps in innovation and problem-solving. Workers' morale, engagement, and retention are all boosted when they are able to express themselves freely and openly in the workplace. Achieving true inclusion and diversity, however, requires more than just hiring people from different backgrounds; it requires a holistic approach that includes recruiting, retention, training, and organisational culture (Sherbin & Rashid, 2017). Specialists in human resources are crucial to the success of these initiatives since they are catalysts for change in their respective firms. Through the implementation of inclusive policies and evidence-based initiatives, employers may cultivate an environment where every employee feels valued, acknowledged, and able to contribute their utmost (Yang, 2024).

Employees are more invested and stay longer in companies that value equity, diversity and inclusion because they are able to express their unique perspectives and strengths in an environment that values them. Despite the clear benefits, many businesses still struggle to achieve true equity, diversity and inclusion. Cultural insensitivity, prejudiced behaviours, and unconscious biases are just a few of the potential roadblocks that could slow down progress (Turi et al., 2022). In addition, the current status of equity, diversity and inclusion in the workplace varies greatly among regions and industries, with some organisations taking the lead and others falling behind. In light of these facts, there is an immediate need for innovative human resource strategies that can promote and enhance equity, diversity and inclusion in the workplace.

Review of Literature

Chugh, U. (2024) analysed the significant functions of diversity and inclusion in contemporary businesses, with an emphasis on the ways in which these concepts were incorporated into HRM. Considering the growing recognition of social equality and greater global connectedness during that period, it was seen as both a moral necessity and a strategically useful to promote inclusion and diversity from all backgrounds. Many other aspects of diversity were present, including but not limited to sexual orientation, gender, age, race/ethnicity, and more. It demonstrated the positive impacts of diversity and inclusion policies on employee engagement, innovation, creativity, and the overall success of the organisation, thereby highlighting the substantial business case for these policies.

Eshete & Birbirssa (2024), their study set out to answer the question, "How much has "Strategic Human Resources Management" contributed to more welcoming work environments for all employees?" by surveying the relevant literature. Furthermore, it was frequently believed that line managers were crucial to the execution of HRM processes and the development of a more inclusive

workplace. According to the results of the analysis, SHRM might be a great resource for making workplaces welcoming to all employees. However, it necessitated a thorough and long-lasting plan that encompassed a commitment to diversity, involvement of leadership, and a conscious effort to eradicate prejudices and obstacles. As a final step, the systematic review proposed new research directions based on the existing literature.

Isibor et al., (2025) analysed the importance of implementing creative HR policies that promote diversity and inclusion in the workplace. Cultural differences, unconscious prejudices, and the shortcomings of present HR frameworks were some of the issues discussed as contemporary roadblocks to diversity and inclusion. Included in the study's comprehensive framework for enhancing diversity and inclusion were inclusive recruiting practices, robust training programs, effective methods of monitoring and assessment, and clear diversity targets. It was believed that these rules, if put into action, would lead to better performance in the long run, higher morale and staff retention, and a better reputation for the business. Research into the intersections of diversity, the long-term impacts of diversity and inclusion initiatives, the function of leadership in fostering inclusive organisational cultures, and cross-sector comparisons were all suggested as potential areas for further investigation.

Park et al., (2025) compared the traditional office settings with more modern alternatives, such as remote or virtual workplaces. They looked at publication patterns across journals and years, as well as article count and research emphasis in publishing profiles. Furthermore, they looked at patterns in publication order as well as DEI (diversity, equity and inclusion) characteristics such as gender, age, ethnicity, and culture. Leadership in DEI, climate in DEI, conceptualisation of DEI, diversity in teams and groups, management and practice of DEI, and perceptions on DEI were the six repeating themes found in DEI studies. The research included a thorough review of DEI studies in the management sector and suggested ways forward that could deepen and broaden the understanding of DEI.

Woldeyesus, A. S. (2025) investigated the relevance, difficulties, and tactics that companies used to successfully manage diverse, inclusive, and equitable workplaces, as well as the changing character of inclusion and diversity in today's workplaces. The report also detailed the ways in which DEI initiatives affected retention, productivity, and employee happiness on the job. Organisational responses to systemic inequalities, unconscious bias, and change resistance as barriers to DEI were the focus of this qualitative and quantitative study. The study's overarching goal was to illuminate successful approaches for dealing with DEI in order to provide practical recommendations for making workplaces inclusive settings where all employees may thrive. Findings highlighted the need for an all-encompassing, long-term plan for DEI that bolstered organisational goals and benefited society.

Objectives of the Study

The study aims to learn how inclusion, diversity and equity policies and procedures affect employee engagement; and with the goal of enhancing employee engagement through increasing workplace diversity, equity, and inclusion, this study will examine human resource management strategies for this purpose.

Research Methodology

In order to investigate and understand the connection between inclusion, diversity and equity policies and employee engagement, this study used a descriptive research strategy. The research method employed was quantitative. In order to test the hypothesis of a connection between DEI procedures and employee engagement, data was gathered through structured questionnaires and analysed statistically. To make sure that every employee had a fair opportunity of being chosen, we used simple random sampling. The purpose of the tool was to collect detailed information about DEI procedures and employee involvement. Primary and secondary sources of information were used to compile the study. Primary data was gathered from employees directly through a self-administered survey with Likert-scale questions. Secondary Data was gathered from scholarly publications, business reports, news articles, government websites, and prior studies on diversity, equity, and engagement in the workplace.

Analysis, Findings & Discussions

The study's analysis, findings, and discussions are presented in this part.

Table 1: Regression Analysis

Anova					
	Sum of Squares	df	Mean Square	F	Sig.
Regression	636.487	1	636.487	132.343	.000 ^b
Residual	379.508	72	5.167		
Total	1015.995	73			
a. Dependent Variable: Employee Engagement					
b. Predictors: Diversity, Equity and Inclusion					

(Source: Author's own analysis)

With DEI as a predictor, the regression model elucidates Employee Engagement. A highly significant correlation between DEI with Employee Engagement is supported by the significant F-statistic (132.343) and extremely low p-value (0.000).

Table 2: Correlation between Diversity, Equity and Inclusion & Employee Engagement

Correlations			
		Diversity, Equity and Inclusion	Employee Engagement
Diversity, Equity and Inclusion	Pearson Correlation	1	.792**
	Sig. (2-tailed)		0.000
	N	80	80
Employee Engagement	Pearson Correlation	.792**	1
	Sig. (2-tailed)	0.000	
	N	80	80

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

(Source: Author's own analysis)

Table 2 provides an overview of the Pearson's correlation coefficient relationship between DEI and employee engagement. A very high positive association is indicated by the coefficient of correlation between the DEI and Employee Engagement, which is 0.792. Therefore, it is reasonable to expect a considerable uptick in employee engagement as DEI continues to advance. Diversity, Equity, and Inclusion (DEI) has a favourable and statistically significant relationship with employee engagement, according to the data. This highlights the vital need of supporting DEI programs to raise engagement levels at work. Companies may boost employee happiness and loyalty by implementing DEI initiatives.

Table 3: Correlation between Diversity and Employee Engagement

Correlations			
		Diversity	Employee Engagement
Diversity	Pearson Correlation	1	.738**
	Sig. (2-tailed)		0.000
	N	80	80
Employee Engagement	Pearson Correlation	.738**	1
	Sig. (2-tailed)	0.000	
	N	80	80

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

(Source: Author's own analysis)

The relationship between diversity and staff engagement is shown in Table 3. There is a robust positive association between diversity and staff engagement, according to the data. When it comes to diversity and employee engagement, the correlation is robust, positive, and statistically significant. All of this points to the possibility that increasing diversity in the workplace could significantly boost engagement among workers.

Table 4: Correlation between Equity and Employee Engagement

Correlations			
		Equity	Employee Engagement
Equity	Pearson Correlation	1	.608**
	Sig. (2-tailed)		0.000
	N	80	80
Employee Engagement	Pearson Correlation	.608**	1

	Sig. (2-tailed)	0.000	
	N	80	80

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

(Source: Author's own analysis)

Equity and engagement among employees are shown to be correlated in Table 4. According to the results, a positive correlation between equity and workforce engagement exists, and it's moderately significant. This provides strong evidence that increasing workplace equity can boost engagement levels.

Table 5: Correlation between Inclusion and Employee Engagement

Correlations			
		Inclusion	Employee Engagement
Inclusion	Pearson Correlation	1	.704**
	Sig. (2-tailed)		0.000
	N	80	80
Employee Engagement	Pearson Correlation	.704**	1
	Sig. (2-tailed)	0.000	
	N	80	80

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

(Source: Author's own analysis)

Inclusion and staff engagement are shown to be correlated in the table above. This points to a robust positive correlation between inclusion and engagement levels in the workplace. Employees are more likely to put forth their best effort when they feel included in the company. This data demonstrates that increasing employee engagement may be achieved by cultivating an inclusive work environment.

Conclusion

Finally, equity, diversity and inclusion in the workplace are now seen as strategic concerns rather than merely ethical imperatives by contemporary businesses. In today's business world, the importance of diversity, equity, and inclusion is on the rise. To stay ahead of the competition in the contemporary worldwide economy, companies are realising that a diverse staff is the key to innovation and satisfying customers. The purpose of this article is to investigate the value of diversity, equity, and inclusion in the work environment and to examine potential approaches to build and maintain a diverse team. Based on these results, businesses should make it a top priority to foster an environment that encourages and rewards employees for actively participating in their work. Organisations may optimise performance results and achieve a competitive edge in contemporary dynamic business landscape by investing in productive human resource strategies and developing an atmosphere that supports employee well-being and growth. By supporting diverse talent at all levels, encouraging open communication, and matching policies with quantifiable objectives, human resources departments greatly contribute to embedding inclusion. Still, obstacles like tokenism, unconscious bias, and a lack of accountability systems make it hard to go further. New HR digital technologies, such as inclusive hiring platforms and AI-driven analytics, can help with data-driven decision-making and reduce bias. Finally, a productive and long-lasting workforce requires diversity, equity, and inclusion. Better performance, more innovation, and higher rates of retention and engagement among staff are all possible outcomes for organisations that make DEI a priority. However, there are a number of obstacles that can arise while adopting DEI initiatives, and companies must be willing to commit to the long term in order to establish a culture that values DEI.

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