Driving Innovation in Emerging IT/ITES Markets through Inclusive Diversity Management

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Abstract

This study examines the body of research on workers in the Indian IT industry, focusing on the intricate relationship that exists between diversity, equality, inclusion, and belonging (DEIB) and organizational performance emphasizing the experiences of LGBTQ+ employees and boomerang mothers. SEM analysis was used on 452 survey responses reveals that diversity significantly enhances equity, OE, and a sense of belonging. obtained from respondents to validate the proposed model. Regarding this, the results show a strong and positive

correlation between inclusion and diversity in terms of improving a sense of belonging in the chosen organizations. This study underscores the strategic importance of comprehensive DEIB initiatives in creating high-performing, inclusive workplaces where all employees feel valued and recognized. Future research should explore intersectionality and longitudinal impacts of DEIB initiatives to deepen understanding and improving practical applications, ensuring sustainable organizational development and excellence.

Keywords: Diversity, Inclusion, Equality, Organizational Excellence, IT/ITES employees

I. INTRODUCTION

In the rapidly evolving landscape of the Information Technology (IT) and IT-Enabled Services(ITES) sectors, organizational excellence has become a pivotal goal for companies striving to maintain competitive advantage. Attaining this superiority is progressively associated with the proficient execution of all-encompassing diversity, DIB tactics. These tactics are essential to creating a work environment where a diverse staff may reach its full potential (Newman & Ford, 2023). They go beyond simple compliance with regulatory obligations or corporate social responsibility. IT/ITES firms can achieve sustainable organizational excellence through implementing DIB, which can promote innovation, enhance employee satisfaction, and improve overall performance (Maiti, Castellaci & Melchior, 2020).

Organizational excellence in the quickly changing ITES and IT sectors is more dependent than ever on the successful integration of diversity, inclusiveness, and belonging policies (Rozman, Tominc & Milfelner, 2023). Gender, ethnicity, age, and educational background are only a few of the traits that make up diversity; taken together, they increase the variety of viewpoints and concerns that exits inside an organization. By being inclusive, decision-making processes guarantee that these varied perspectives are not only heard but also actively participated in. On the other hand, belonging ensures that every employee feels appreciated and essential to the organization's goal by fostering a sense of community and support (de Largy, Anderson & Vinnicombe, 2024). When combined, these components build a strong foundation that promotes creativity, worker happiness, and overall organizational success.

As predicted by Lai & Hamby (2022), the information technology industry has the potential to become India's philosopher's stone as it has successfully made its mark on the international scene and elevated India to a prominent position. The industry's percentage of Indi's GDP has grown significantly over time, from 1.2 % in FY1998 to a starting 9.5% in FY2014. The Indian IT industry has a significant

impact on both the country's economy and the lives of its residents. It affects several important socioeconomic factors, such as living standards, employment opportunities, and diversity (Priya et al., 2023). In the Indian IT industry, a wide range of competent individuals including those with different ages, genders, educational backgrounds, and skill sets are respected and accepted. 3.5 M (millions) people are employed by IT, comprising about 34% of the workforce, and is the biggest employer in the private sector (Viswanathan, 2020). The Govt. of India is providing substantial support to accelerate the growth of the IT sector, which it has identified as a focal area for the nation's development (Bhatnagar, Taneja & Ozen, 2022). The expansion of this sector provides an example for other sectors.

In order to ensure that prejudices in society or unfair treatment based on identity groups are not preserved, it is imperative that businesses build a just and equal work environment (Kumar, Bapuji & Mir, 2022). The company must also have a "integrations strategy" that takes into account the opinions of all units, regardless of how well they have performed in the past. With this approach, people will be able to maintain their cultural identities. Thirdly, implementing tactics that promote inclusive decision-making by including all employees, not just a select subset of them. Researchers Khalfaoui, García-Carrión & Villardón-Gallego(2021) looked into the relationships between diversity practices, trust climate, and engagement and how inclusion practices affected these. They discovered that professional inclusion fosters a trusting environment, whereas diversity practices alone can only foster trust in concert with inclusion practices. This research demonstrates the significant relationship between diversity and inclusion strategies.

Review of Literature

Ferdman (2017) emphasized the need of managing diversity and inclusion in the industry. It is necessary to implement equal opportunity policies and procedures in order to accomplish this and benefit from diversity. Based on a plethora of research by Amabile & Pratt (2016), we concentrate on three crucial organizational strategies that are applies in various IT environments to promote more innovative and creative work cultures. Providing equal representation for all groups inside the organization, granting unimpeded access to growth chances, offering equitable employment opportunities to individuals from diverse backgrounds without prejudice, and actively promoting gender diversity are some examples of these practices.

A diversified workforce is made up of individuals from various social, cultural, and, ethnic backgrounds who work together inside an organization (Shaban, 2016). Resolving issues like discrimination and segregation as well as recognizing, utilizing, and capitalizing on workforce diversity are among the frequently stated

goals of diversity management (Okolie, 2020). Diversity management emphasizes voluntary action above and beyond only abiding by the letter of the law, expanding beyond the social categories covered by traditional equal employment legislation to encompass human attributes.

A more peaceful and effective work environment can be achieved through effective diversity management, which fosters an atmosphere where all staff members feel appreciated, respected, and empowered (Carvajal, Sanchez, & Amihan, 2023). Employee engagement and motivation are positively correlated with their perception of the value placed on their distinct perspectives, cultural origins, and skill sets. This feeling of inclusivity promotes a healthy work environment by lowering the likelihood of miscommunications and disputes brought on by cultural differences. Cohesion and productivity within the team are improved when workers feel appreciated and included because they are more likely to work well together, openly share ideas, and lend support to one another (Han, Kim, & Jeong, 2016).

Furthermore, a varied workforce offers a multitude of perspectives and methods for approaching problem – solving. Employees with diverse backgrounds might provide original thoughts and solutions that would not be apparent in a more homogeneous group, which helps foster creativity and innovation (Friedman, Friedman, & Leverton, 2016). A company can create more inventive goods and services, respond to market shifts faster, and better serve a wide range of clientele when it makes use of these different points of view. Additionally, by attracting top people and varied markets, the organization's reputation can be strengthened through inclusivity, which can ultimately lead to long-term success and growth (Kaliannan et al., 2023).

Many countries have anti – discrimination rules that cover every facet of an employee's heritage, ethnicity, or country of origin (Veit & Thijsen, 2021). However, it is not necessary for organizations to deliberately include them in a distinctive way into their diversity management programs. Out of all the elements included in global organizational diversity plans," race" is the most discussed topic (Kollen, 2021). However, a person will represent distinct manifestations of each feature based on the standards used to separate these traits. For instance, being of African descent while possessing a Chinese passport. This raises another concern about the complexity of diversity and its handling.

Gender and the problems that affect female employees in particular, is the most researched aspect of diversity and its management, accounting for 31% of the literature, according to a thorough assessment of 70 studies on the subject (Hoobler, 2018). These studies draw attention to obstacles that stand in the way of women's career advancement, including long work hours, high expectations, and

environments that are dominated by men. Topics related to gender diversity are heavily weighted toward anti-discrimination, gender representation, career advancement, and discrepancies; these topics frequently reveal that women work in lower-quality jobs than males. Aside from that, certain industries – like the hospitality sector in Hong Kong and India – have persistent problem with work – family conflicts, unpredictable work patterns, and the old boys' network (O'Neill & Follmer, 2020). Though it hasn't been studied as much in the hotel industry, research on gender diversity in senior management is also included in the literature on diversity management.

Inter sectionality recognizes that individuals are composed of multiple dimensions of diversity, frequently exhibiting various manifestations concurrently (Marfelt, 2016). Therefore, a person's identity is influenced by a multitude of elements beyond only their gender, such as age, ethnicity, mother tongue, sexual orientation, and gender identity. The visibility or noticeableness of these characteristics may vary, but it doesn't lessen their prevalence or their ability to influence someone's position, say, in an organizational hierarchy (Laverack, 2019). Depending on how well an individual represents each unique aspect of variety and the specific situation or setting in which they find themselves, they are assigned a certain position in their hierarchy.

As a result, workers in some organizations frequently find themselves in both submissive and dominant roles at the same time (Eagly & Carli, 2018). Comprehending one's place in the organizational hierarchy, particularly with diversity, necessitates a careful examination of all relevant aspects of diversity and how they interact.

The study emphasizes the significance of integrating interdisciplinary approaches to understand belonging and its influence in the workplace, as well as the necessity for managers to acquire the skills necessary to manage workforce diversity effectively (Davis et al., 2022). In order to provide insights and methods for continuous improvement, notably in the Indian IT sector, it demands for the empirical validation of theoretical models that link diversity, equity, inclusion, and belonging to organizational success.

Objectives

Objective 1: To comprehend how organizational practices and policies are influenced by the cultural, social, and historical background of diversity and inclusion in the Indian IT industry.

Objective 2: To create and suggest strategies for diversity and inclusion practices that are always improving, based on best practices from many fields and empirical findings.

Objective 3: To provide strategic recommendations that would help Indian IT sector organizations improve their diversity, equity, inclusion, and sense of belonging in order to foster long-term success and growth.

Diversity (DI)

Workforce diversity is a widely accepted management strategy in both developed and developing economies, driven by changes in the economy, society, and consumer preferences (Cooke, Schuler & Varma, 2020). Companies are prioritizing diversity to encourage creativity and maintain competitiveness. Hiring skilled individuals from diverse backgrounds can help develop a creative workforce, providing clients and consumers with higher goods and services. However, managing a diverse staff presents challenges, including potential negative effects on turnover, disputes, and organizational cohesiveness (Nguyen et al., 2022).

Diversity is defined as the broad spectrum of individual differences and variances, including demographic variables like age, gender, race, ethnicity, values, beliefs, and cultural backgrounds (Turner & Merriman, 2022). It adds substantial value to organizations, but it also requires addressing potential difficulties and costs.

To improve performance, diversity management alone is insufficient. Positive results require an atmosphere that values inclusion and gives employees autonomy (Nyathi & Kekwaletswe, 2024). The exclusion of people from other identity groups and their restricted access to and involvement in organizational activities have been criticized as potential shortcomings of diversity management technique and practices.

Equity (EQ)

This research focuses on ensuring equality rather than equity in an organization. Equitable environments are essential for everyone to succeed, but systematic pressure like ableism, sexism, racism, and classism can hinder this (Keddie, 2023). Companies committed to removing structural obstacles can cultivate a culture of flourishing for all employees through intentional policies and practices.

Organizational justice includes fairness and equity within an organization, which impacts both people and the company as a whole.
Fairness and inequality are two aspects of diversity. Employees with strong gender identities are more likely to report instances of discrimination in settings that value diversity (Huffman et al., 2021). Equity ensures that rules and procedures are fair and provide each employee the same chance at success. A work where each person has a feeling of belonging is essential for creating an inclusive workplace (Byrd, 2022).

Inclusion (IN)

Inclusion is defined as the condition where people is feeling a sense of belonging and inclusivebehavior are incorporated into the day-to-day operations of an organization (Kennedy, 2021). Employees feel appreciated and respected for their unique contributions, which promotes a feeling of belonging within the team. To work towards attaining inclusion, a thorough understanding of the dynamics of inclusion, a thorough understanding of the dynamics of inclusion and exclusion is essential (Bernstein et al., 2020).

Organizational leaders have realized the need to create inclusive workplaces in today's ever-evolving environment. Scholars have recently emphasized the need of inclusion for all people, especially these who have experienced historical marginalization (McCandless et al., 2022). Inclusive settings guarantee that people of diverse backgrounds get equitable treatment, are appreciated for their particular talents, and are included in significant decision-making processes (Russen & Dawson, 2023). Numerous inclusion constructs have been thoroughly studied in the literature. The importance of senior leadership in creating and promoting best practices to improve inclusion is highlighted.

Belonging (BE)

A sense of belonging and being a member of a professional setting are strongly linked to the chance to work together, set common objectives, learn by doing, form new connections that shape one's identity, and undergo personal development. Fostering a feeling of belonging and creating a strong community at the workplace requires an understanding of the places and activities there (Nanayakkara et al,2023). Through a variety of behaviors and interpretations, workplaces have a critical influence in influencing people's experiences (Maheshwari, Kha & Arokiasamy, 2023).

There are several sources of belonging that lead to a sense of belonging at work. A lot of participants said that they felt like they belonged at the organization (Kricorian et al., 2020). One argument put out was that the responsibility of

creating a sincere and caring work environment that fosters a feeling of belonging should fall on the corporation (Cheng et al, 2023). Between entering a relational dimension and a material one, belonging emerges as a dynamic movement. These aspects, which sometimes cross and other times stay separate or even in conflict, were well conveyed by the participants.

Organizational Excellence (OE)

An organization's reputation may be improved by pursuing organizational excellence both within and outside the business. OE was defined by Al-Dafaari & Alosani (2023) as an indicator of organizational management and the benefits it offers to stakeholders and clients. There are many ways to create organizational success, and every company may have a different definition of success. According to Volberda et al. (2021), companies must continue to operate at a high level in order to succeed over the long run. It has been observed that one of the primary goals for companies all over the globe is to attain and sustain great organizational excellence (OE). This is due to the fact that it provides an essential base for remaining one step ahead of rivals (Chiarini & Kumar, 2021).

An Organizational Excellence Methodology (OEMs) must be used by the company in order to attain a high degree of performance. OEMs are a complete system that businesses employ to set up efficient performance management and attain superior performance. This system incorporates a number of self-assessment methodologies, tools, methods, and procedures. To achieve and sustain outstanding organizational performance, use tools, principles, and a performance management system as the foundation for converting organizational inputs into outputs (Rahimpour et al., 2020).

Association between Diversity and Equity

Gender diversity in higher education is crucial, but understanding its social, historical, and cultural context is essential (O'Connor, 2015). In Germany, gender equality rights are protected by a strong legal framework, and institutions must have policies in place. In 2006, seven leading scientific organizations united to encourage gender diversity in senior research and science jobs. However, practical attempts to achieve equality often face opposition, as commissioners view demands as personal agendas. Gender equity and equal representation are still important, even with rising focus on economic viewpoints and resistance to equality. Policies now focus on the organization as a whole, targeting all three levels (Elomaki, 2015). So, the hypothesis 1 was formulated as:

H_1: Diversity has a major role in improving employee equity in the Indian IT industry.

Linkage between Inclusion and Equity

This study explores the contradictory outcomes of organizational diversity programs and proposes a new Theory of Generative Interactions that emphasizes elements that promote inclusive behaviors and cultures (Bernstein et al., 2020). It highlights the complex dynamics that support or obstruct inclusion and the importance of diversity and inclusion in organizational performance. The review highlights the challenges organizations face in advancing diversity and inclusion, such as sporadic diversity training and formal affirmative action programs. However, it also highlights the potentials benefits of diversity-promoting programs, such as increased representation of underrepresented groups in management positions. The theory acknowledges mediating processes and moderating variables, emphasizing the need for different initiatives and methods to promote inclusion and creative encounters (Wang, Chen, & Li, 2021). Thus, hypothesis 2 was stated as:

H_2: Inclusion has a majorrole in improving employee's equity in the Indian IT sector.

Relationship between Diversity and Belonging

Diversity management strategies aim to increase workforce diversity and create an inclusive work environment (Ashikali & Groeneveld, 2015). Organizations can prioritize improving working conditions or expanding diversity based on their objectives. Successful strategies include targeted recruitment, diversity – related employer branding, diversity training, and mentoring programs (Thomas, 2016). However, the concept of diversity management remains complex and debated. The debate also touches on the intersections of gender and race, and the importance of building relationships and interacting with the outside environment. The interpretation of images and their meanings can vary depending on the involved party. So, the hypothesis 3 was stated as:

H_3:Diversity has a major role in improving employee's belongingness in the Indian IT sector.

Association between Equity and Belonging

The authors emphasize the importance of understanding the environment in which women's struggle occur, including their cultural and ethnic origins (Collins, 2016). They suggest quantifying inequality using a functionalist approach to address systematic problems. The radical humanist paradigm emphasizes agentic behaviors and micro-emancipation. Understanding systematic and historical elements is crucial for identifying trends and barriers to greater inclusion. Functionalist research provides quantitative findings, while interpretivists focus on the lived

experiences of those affected (Gunbayi & Sorm, 2018). Integralism and subjective perspectives recognize the value of representational and statistical research. Thus, the hypothesis 4 was expressed as:

H4: Equity significantly affects the Belonging of employees in the Indian IT sector.

Linkage between Inclusion and Belonging

Inclusive leadership is crucial in organizations to promote employee involvement and reach their full potential (Choi, Tran, & Kang, 2017). It involves fostering an atmosphere where employees feel appreciated and respected. Effective leaders have a direct impact on the workplace culture, and their treatment significantly influences group members' sense of inclusion. Individual characteristics, such as diversity, humility, and cognitive complexity, can influence inclusive leadership (Randel et al., 2018). The optimal distinctiveness theory emphasizes the importance of building trusting relationships with staff from all backgrounds. Inclusive leaders create inclusive routines, uphold justice and equity, and consider the preferences of individuals, inspiring others to do the same. So, hypothesis 5 was formulated as:

H5: Inclusion significantly affects the Belonging of employees in the Indian IT sector.

Association between Belonging and Organizational excellence (OE)

Large companies are investing in operating system development (OS) to stay competitive and explore sustainable practices in new markets. OS strategies consider social, economic, and environmental aspects, incorporating these into daily operations. Stakeholders analyze sustainable reports, and sustainability reports are prepared in accordance with global standards (Searcy & Buslovich, 2014). A sense of belonging at work is essential, and operations management involves planning and resource allocation. Big data analytics helps organizations make precise judgments, while business process management maximizes the efficacy and efficiency of organizational components (Niu et al, 2021). This leads to cost savings, customer satisfaction, and resource protection. Thus, hypothesis 6 was given as:

H6: There is a significant impact of Belonging on Organizational excellence in the Indian IT sector.

Linkage between Diversity and Organizational Excellence (OE)

Diversity management is a widely used technique in Western industrialized nations and developing economies, aiming to foster an inclusive workplace for the current workforce diversity (Kollen, 2021). It relies heavily on hiring procedures, targeting diversity, outreach, and incentives. For companies with legislative quotas, diversity hiring is essential. Employer branding initiatives are also part of diversity

efforts. Diversity management has both positive and negative effects on firms, resolving homogeneity problems and ensuring diverse skills are effectively used to meet objectives (Otike, Messah, & Mwalekwa, 2022). Effective communication and leadership are crucial for maintaining good working relationships and driving organizational performance. Employees who feel deeply connected to their company are more likely to participate in activities and promote positive public behavior. Thus, the hypothesis 7 was formulated as:

H_7: Diversity significantly impacts Organizational excellence in the Indian IT sectors.

Linkage between Inclusion and Organizational Excellence (OE)

Organizational excellence is a key business concept that encourages employee engagement and contribution, embracing diversity, and recognizing changes (Stoyanova & Iliev, 2017). It involves integrating knowledge, resources, and internal standards. The European Foundation for Quality Management (EFQM) Excellence Model is a successful framework for achieving excellence. This research focuses on Central Coalfields Limited (CFL) in India, assessing its organizational excellence using differentiating strategies, brand quality, employee branding, inclusive development, and psychological safety. The Kayakalp model of governance promotes inclusive growth, ethics, and charity (Ginoya et al., 2021). Prioritizing people and fostering psychological safety are key to success. Thus, the hypothesis 8 was given as:

H_8: There is a significant impact of Inclusion on Organizational excellence in the Indian IT sectors.

Figure 1: Hypothesized Research Model
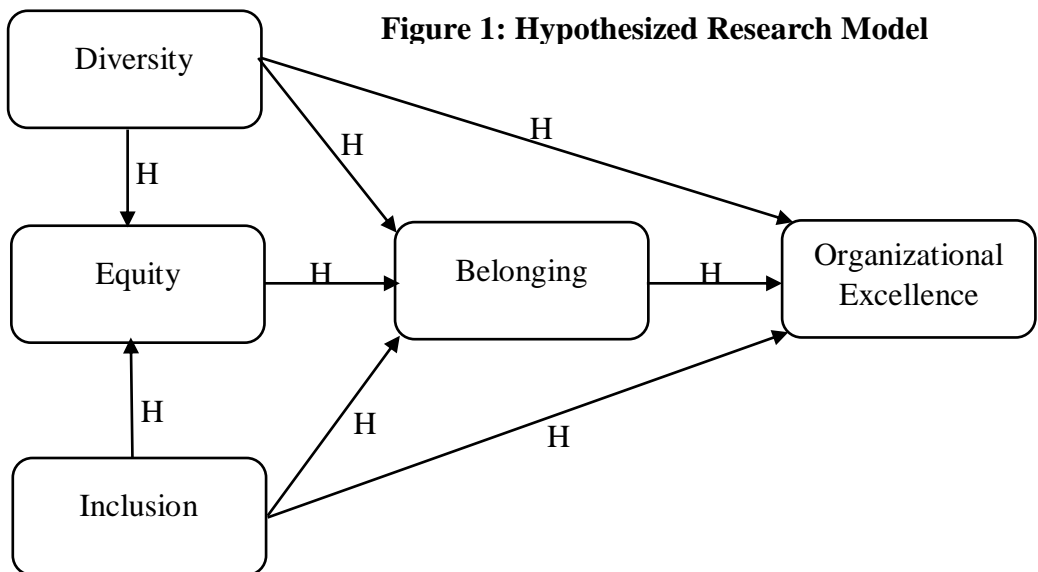
Methodology

Research Participants and Instrument

Based on the study's aim, the primary data was collected through survey questionnaires from selected IT/ITES companies in India, utilizing convenience and purposive sampling methods. The participants voluntarily consented to partake in this opinion survey. This research focused on the Indian IT/ITES industry, particularly emphasizing boomerang mothers and the LGBTQ (Lesbian, Gay, Bisexual, Transgender, Queer) community, which have become significant growth drivers in these sectors in India. The respondents of this study provided a suitable context for a detailed understanding of organizational structure and its related studies outcomes. The study questionnaire was crafted based on cues from previous studies, with the items adopted and adjusted to align with the research objectives. Consequently, the potential for respondent confusion and errors was significantly reduced. The questionnaire included questions pertaining to the study constructs as well as socio-demographic information of the survey participants, comprising mainstream employees (90%), boomerang mothers (8%) and LGBTQ individuals (2%). To facilitate data collection, a seven-point Likert scale was employed, where 7 indicated "strongly agree" and 1 signified "strongly disagree". A total of 464 responses was gathered, however, 12 responses were excluded due to missing values and redundancy. Ultimately, 452 responses were retained for further analysis.

Data analysis and Results

Validation of the hypothesized model

Anderson and Gerbing (1992) recommended a series of two main steps to conduct the SEM procedure. The main aim of the initial step remains on assessing whether the measurement model deems appropriate, while the second step concerns the evaluation and validation of the structural model. The exploratory factor analysis (EFA) was carried out to identify the constructs and the items that loaded on them based on factor loadings. Specifically, EFA process aims to reduce the study dimensions, assess the factor structure, and enhance the statistical power of the proposed model.

The adequacy of the sampling in EFA, was assessed through the Kaiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity. Hutcheson and Sofroniou (1999) suggests KMO scores must be higher than 0.7 for factor analysis. Table 1 exhibits the value of KMO = .910, which indicates the data is highly suitable for factor analysis, as it suggests that the correlations between variables are compact and reliable. Bartlett's test of sphericity, with a chi-squarevalue of9198.332, degrees of freedom (df)= 171, and significance level (p-value)<0.001 affirm that the survey

data collected is appropriate for the Structural Equation Modeling (SEM) analysis used in this study, supporting the investigation of the relationship between DEIB and organizational excellence in the Indian IT industry.

These identified factors will form the basis to establish empirical relationships in the research model. However, it can be noted that other factors can also be included in the future studies that may explain more cumulative variance in the dataset.

The Rotated Component Matrix table from Principal Component Analysis (PCA) with Varimax rotation in Table 2 displays the loadings of variables on five components, each representing a distinct construct. Component 1 (Belonging) includes variables Blg1 to Blg5 with high loadings (e.g., Blg4 at .824), component 2 (Diversity) includes Div2 to Div5 (e.g. Div5 at .881), component 3 (Equality) includes Eq1 to Eq4 (e.g. at .808), component 4 (Inclusion) includes Inc1 to Inc3 (e.g. Inc3 at .843), and component 5 (organizational excellence) includes OE1 to OE3 (e.g., OE2 at .803). The high loadings indicate strong relationships between variables and their respective components, validating the distinct constructs of DEIB which are crucial for examining the relationship between DEIB and organizational excellence in the Indian IT industry.

Table 1. KMO and Barlett's Test

Kaiser-Meyer-Olkin	.910	
Bartlett's Test of Sphericity	Approx. Chi-Square	9198.332
	df	171
	Sig.	0.000

Table 2. Rotated Component Matrix

Item	Component				
	1	2	3	4	5
Blg4	.824				
Blg3	.807				
Blg2	.799				
Blg1	.791				
Blg5	.769				
Div5		.881			
Div3		.866			
Div4		.860			
Div2		.753			
Eq2			.808		
Eq1			.800		
Eq4			.772		
Eq3			.734		
Inc3				.843	
Inc1				.831	
Inc2				.759	
OE2					.803
OE1					.789
OE3					.737

Evaluating the Measurement model

The initial step in SEM comprises the assessment of the measurement model fit, which involves the study constructs and their respective items. In the present research, the measurement model includes five constructs- OE, Inc, Equ, Div, Blg. The fit indices indicate an appropriate fit: CMIN/df of 2.613 suggesting a good model fit; GFI of 0.965, TLI of 0.0974, CFI of 0.980, and NFI of 0.968 all nearly equal to 1, indicating an excellent fit; RMSEA of 0.046 and RMR of 0.036 are below 0.5 which reflects a close fit; and a significance p-value (p<0.001) that support's the model's adequacy. These results collectively validated the measurement model, confirming the constructs' reliability and suitability for further analysis of the relationship between DEIB and OE.

Convergent and discriminant validity

The measure of convergent validity (CV) indicates the extent to which the construct items share a large common variance. To assess the CV, the composite reliability (C.R.), std. factor loadings (S.E.), p-value, and average variance extracted are estimated for the research model. The table 3evaluates the convergent validity of the constructs OE, Inc, Equ, Div, Blg through SEM, showing significant path relationships and model fit indices. The high critical ratios (C.R) and significant p-values (p<0.05) for most paths, such as Inc to Equ (C.R=14.038, p<0.001) and Div to Blg (C.R=10.701,p<0.001), indicate strong positive relationships and validate the constructs' representation by their terms. Although the path from Div to OE shows a negative but non-significant relationship (C.R =-1.913, p=0.056), the overall model demonstrates good convergent validity, confirming that the constructs are reliably measured and suitable for further analysis of DEIB's impact on OE

Table 3. Convergent validity measures for all the construct and items

			Average Variance Extracted	S.E.	C.R.	P
Equ	<---	Div	0.213	0.023	6.023	***
Equ	<---	Inc	0.618	0.047	14.038	***
Blg	<---	Div	0.413	0.035	10.701	***
Blg	<---	Equ	0.28	0.076	5.062	***
Blg	<---	Inc	0.102	0.075	1.986	0.047
OE	<---	Div	-0.083	0.024	-1.913	0.056
OE	<---	Blg	0.556	0.032	10.624	***
OE	<---	Inc	0.285	0.037	6.863	***

Structural model and tests of hypotheses

The measurement model of the study achieved appropriate fit that is carried forward to the next step of examining the structural model. In this context, the assessment of structural model involves validating the hypothesized links between the study constructs, which was conducted using AMOS version 22. Therefore, the structural model achieves satisfactory model-fit (Hair et al., 2010).

Table 4 presents the empirical results of hypothesis testing, illustrating the path estimates of the inter-relationships between the constructs of interest. The research model shows that Div significantly impacts Equ with a beta-value of 0.21, supporting Hypothesis 1 (H1). This suggest that increased diversity improves fairness within the organization. Furthermore, Div impacts Blg with beta value of 0.41supporting Hypothesis 3 (H3), and OE supporting Hypothesis 7 (H7). This indicates that diverse environments enhance a sense of acceptance and improve overall employee performance.

Equ positively impacts Blg, with a beta value of 0.28, proving Hypothesis 4 (H4), Inc positivelysupports OE with a beta value of 0.28, supporting Hypothesis 8 (H8). This demonstrates that equitable treatment fosters employees' sense of organizational success and Inc. Inc strongly impacts Equ with a beta value of 0.62 and Blg with a beta value of 0.10, supporting Hypothesis 2 (H2) and H5. Finally, Blg significantly improves OE with a beta value of 0.56, supporting H6. This indicates that when employees feel they belong, the organization benefits from improved effectiveness. This explanation aligns with the structural model, showing how improving DEIB with organization can enhance employees' sense of belonging and ultimately led to greater organizational excellence.

Table 4. Hypothesis testing results

Hypothesized Relationships	Standardized beta-Values	Decision
Div → Equ	0.21	Supported
Inc→Equ	0.41	Supported
Div →Blg	0.08	Not Supported
Equ→Blg	0.28	Supported
Inc→Blg	0.10	Supported
Blg→OE	0.56	Supported
Div→OE	0.08	Supported
Inc→OE	0.29	Supported

Discussion and Conclusion

The research concludes that diversity, inclusion, equity, belonging are critical drivers of organizational effectiveness. Additionally, diversity positively fosters Equity, Organizational Effectiveness, and Belonging that highlights the importance of cultivating diverse environments for improving fairness, employee acceptance, and overall performance. Equity impacts both the sense of belonging and operational efficiency. Inclusion emerges as a particularly strong influencer, significantly fostering both belonging and OE, indicating that inclusive practices

are essential for creating a connected and high-performing workforce. Furthermore, the sense of belonging directly enhancing OE, and emphasizing that when employees feel accepted and valued, the organization as a whole benefit. These findings reinforce the strategic value of implementing comprehensive DEIB initiatives to achieve higher levels of OE.

The study highlights the critical role that DEIB plays in improving OE that focuses that inclusive practices are important in enhancing a high performing work environment. This highlights that Div positively influences Equ, OE, and Blg, the study helps in creating supportive environments where all employees, including LGBTQ+ individuals, feel valued and recognized. For this communities, this involves implementing non-discrimination policies, support networks to ensure a sense of belonging and acceptance. These practices not only improve individual well-being and satisfaction at job but also creates overall organizational performance. Improving and identifying these aspects can create inclusive workplace where LGBTQ+ employees can thrive, thus reinforcing the strategic value of comprehensive DEIB initiatives.

By fostering an inclusive environment, flexible work arrangements can be implemented like part-time schedules or remote work options, that supports the unique needs of mothers returning from a career break. Parental support programs, that involves childcare services and family leave options that can ease their transition and break. Providing opportunities for re-skilling and professional development ensuring that boomerang mothers feel valued and capable of contributing effectively. Practices like that not only facilitate reintegration but also foster a culture of acceptance and support helping these employees feel welcomed and appreciated in their work environments.

Existing literature has extensively examined the impact of DEIB on organizational outcomes. Research has consistently demonstrated that workplace diversity improves creativity, problem-solving and innovation by creating a new variety of perspectives and ideas, that leads to higher team performance in complicated decision-making tasks. Furthermore, diverse teams are found to drive better financial performance and competitive advantage. However, the benefits of diversity are often contingent on inclusive practices that ensures all employees feel valued and their contributions are recognized.

Future research on DEIB in organizational setup can explore various key areas that deepen our understanding and enhance practical applications. One promising area is the examination of intersectionality, which considers that overlapping social identities impacts individuals' experiences and outcomes in the workplace. This approach will provide more nuanced insights into the complexities of DEIB. Another research can be done in the longitudinal study of DEIB

initiatives to assess their long-term impacts on organizational performance, employee satisfaction, and retention. Such research can help in identifying and improving strategies that are more efficient over time and how they can be sustainably implemented into practices within organizations.

Extant literature supports these conclusions, indicating that workplace diversity fosters creativity, problem-solving, and innovation by introducing a variety of ideas and perspectives. This will lead to higher team performance in complex decision-making and contributes to better financial performance and competitive advantage. However, the benefits of Div are often contingent on inclusive practices that ensures all employees feel valued and recognized.

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