

IMPACT OF DIVERSITY AND INCLUSION ON ORGANISATIONAL PERFORMANCE AND EMPLOYEE ENGAGEMENT AT KGISL

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ABSTRACT

This study examines the impact of diversity and inclusion on organizational performance and employee engagement at KGISL. In today's dynamic business environment, fostering a diverse and inclusive workplace is essential for innovation, productivity, and employee satisfaction. The research explores how inclusive practices at KGISL influence team collaboration, talent retention, and overall organizational growth. Findings suggest that diversity not only enhances creativity and decision-making but also strengthens employee engagement by promoting a sense of belonging and fairness. The study concludes that embracing diversity and building an inclusive culture are key drivers of both employee well-being and long-term business success at KGISL.

KEY WORDS: KGISL, Diversity, Inclusion, Organizational Performance, Employee Engagement

INTRODUCTION

The impact of diversity and inclusion (D&I) on organizational performance and employee engagement is an increasingly vital area of focus for companies around the globe, and KGISL (KGIS Global Solutions), a prominent IT solutions provider based in Coimbatore, Tamil Nadu, is no exception. As the business environment becomes more globalized and interconnected, the need to foster an inclusive and diverse workforce is paramount for companies aiming to stay competitive and innovative in their respective industries. In the case of KGISL, the organization operates in a dynamic sector where technological advancements, cross-cultural collaboration, and client-centric solutions are critical to its success. By promoting a culture of diversity and inclusion, KGISL has the potential to leverage a wide range of perspectives, experiences, and skill sets, leading to improved problem-solving, creativity, and innovation, all of which are essential for sustaining growth and organizational performance. This project explores the role of diversity and inclusion in driving organizational performance and employee engagement within KGISL Coimbatore, investigating the ways in which these factors influence key areas such as productivity, job satisfaction, collaboration, and overall workplace morale.

OBJECTIVE

1. To assess employees' perceptions of diversity and inclusion at KGISL.
2. To evaluate the impact of diversity and inclusion on organizational performance.
3. To identify challenges and opportunities in fostering a more inclusive work environment.

RESERCH DESIGN

The research design is the blueprint for conducting the research study, outlining how the research will be carried out to answer the research questions and meet the objectives. In this case, the search design will focus on understanding The Impact Of Diversity and Inclusion on Organisational Performance and Employee Engagement at KGISL in Coimbatore. The approach was based on descriptive Research.

REVIEW OF LITERATURE

Berwick, I. (2025)¹ Time for a Workplace Reset Based on Respect for Colleagues. This study emphasizes the need for a cultural shift in workplaces, advocating for a reset that prioritizes respect, inclusivity, and fairness. Berwick argues that diversity and inclusion efforts must go beyond policies and be deeply embedded in everyday workplace interactions. The research highlights that organizations fostering mutual respect among colleagues experience higher employee engagement, lower turnover rates, and improved productivity. The study also warns against performative diversity initiatives, stressing the importance of genuine commitment from leadership. It concludes that creating a respectful and inclusive work culture is essential for long-term organizational success and employee well-being.

Pandey, Kumar, and Zeng (2024)² examine the impact of diversity and inclusion (D&I) on firm performance, highlighting the crucial role of institutional ownership in moderating this relationship. The study finds that organizations with strong D&I practices experience enhanced financial and operational performance due to increased innovation, employee engagement, and decision-making efficiency. Furthermore, the presence of institutional ownership strengthens this positive effect, as institutional investors often advocate for inclusive policies and long-term strategic growth. The research emphasizes that firms should not only focus on diversity management but also foster inclusive work environments to maximize performance outcomes. Additionally, institutional investors play a key role in reinforcing these benefits by encouraging corporate governance structures that support diversity and inclusion. The study underscores the importance of integrating D&I initiatives with strategic investment practices to drive sustainable business success.

Elamin, Aldabbas, and Ahmed (2024)³ examine how diversity management impacts innovative work behavior (IWB) through the mediating role of employee engagement in the UAE, an emerging economy. Their study finds that effective diversity management fosters an inclusive organizational culture, leading to increased employee engagement. Engaged employees are more motivated to contribute creatively, share ideas, and implement innovative solutions. The study highlights that when employees perceive diversity as valued, they experience higher levels of commitment and involvement, which ultimately enhances IWB. This is particularly important in the UAE, where diverse workforces are common due to its global business environment. The authors suggest that organizations in emerging economies can leverage diversity management to enhance innovation, provided they create an engaging and inclusive atmosphere that empowers employees. This research contributes to understanding the importance of employee engagement as a mediator in the relationship between diversity practices and innovation outcomes.

Vakira, E., Shereni, N.C., Ncube, C.M., & Ndlovu, N. (2023)⁴ The Effect of Inclusive Leadership on Employee Engagement, Mediated by Psychological Safety in the Hospitality Industry. This study examines how inclusive leadership influences employee engagement in the hospitality industry, with psychological safety acting as a mediating factor. The researchers found that leaders who foster inclusivity—by encouraging diverse perspectives, providing equal opportunities, and promoting open communication—enhance employees' sense of psychological safety. This, in turn, leads to higher engagement, motivation, and job satisfaction. The study highlights that employees who feel safe expressing their ideas and concerns are more committed to organizational goals. It concludes that hospitality businesses should adopt inclusive leadership strategies to create a supportive and engaging work environment, ultimately improving service quality and performance.

Jerónimo, H.M., Henriques, P.L., & Carvalho, S.I. (2022)⁵ Being Inclusive Boosts Impact of Diversity Practices on Employee Engagement. This study explores the relationship between diversity practices, inclusion, and employee engagement. The researchers found that diversity initiatives alone are not enough to enhance engagement; a strong sense of inclusion plays a crucial role in maximizing their impact. Employees who feel valued and included in decision-making processes exhibit higher job satisfaction, motivation, and commitment to organizational goals. The study also highlights the importance of inclusive leadership in fostering a culture of belonging. It concludes that organizations must integrate both diversity and inclusion strategies to achieve sustainable employee engagement and improved workplace performance.

LIKERT TABLE

TABLE SHOWING THE DISTRIBUTION OF RESPONDENTS BASED ON EMPLOYEE PERSPECTIVES ON FOSTERING AN INCLUSIVE WORKPLACE AT KGISL

S.NO	EMPLOYEE PERSPECTIVES	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	TOTAL
1	KGISL provides equal opportunities for employees regardless of their gender, race, or background	50 45.0%	41 37.8%	17 15.3%	1 0.9%	1 0.9%	110

2	I believe that diversity in teams enhances creativity and innovation at KGISL	24 21.6%	52 47.7%	27 24.3%	4 3.6%	3 2.7%	110
3	KGISL's diversity programs have improved employee morale in my department	37 34.2%	44 39.6%	23 20.7%	5 4.5%	1 0.9%	110
4	I feel that KGISL values the input of employees from diverse backgrounds	27 24.3%	32 28.8%	35 32.4%	11 9.9%	5 4.5%	110
5	The leadership at KGISL actively supports and promotes diversity and inclusion	29 26.1%	43 38.7%	21 19.8%	7 6.3%	10 9.0%	110
6	I am satisfied with the current diversity initiatives in place at KGISL	28 26.1%	37 33.3%	28 25.2%	12 10.8%	5 4.5%	110
7	I believe that diverse teams at KGISL lead to better problem-solving and decision-making	31 27.9%	42 37.8%	26 23.4%	5 5.4%	6 5.4%	110

INFERENCE:

The above table shows that 45% of the respondents strongly agree with KGISL provides equal opportunities for employees regardless of their gender, race, or background followed by 37.8% of them agree, 15.3 % of them neutral, 0.9% of them disagree, 0.9 % of them strongly disagree.

The above table shows that 47.7% of the respondents agree with I believe that diversity in teams enhances creativity and innovation at KGISL followed by 24.3% of them neutral, 21.6% of them strongly agree , 3.6% of them disagree, 2.7% of them strongly disagree.

The above table shows that 39.6% of the respondents agree with KGISL's diversity programs have improved employee morale in my department followed by 34.2% of them strongly agree, 20.7% of them neutral, 4.5% of them disagree, 0.9% of them strongly disagree.

The above table shows that 32.4% of the respondents neutral with I feel that KGISL values the input of employees from diverse backgrounds followed by 28.8% of them agree, 24.3% of them strongly agree, 9.9% of them disagree, 4.5% of them strongly disagree.

The above table shows that 38.7% of the respondents agree with The leadership at KGISL actively supports and promotes diversity and inclusion followed by 26.1% of them strongly agree, 19.8% of them neutral, 6.3% of them disagree, 9% of them strongly disagree.

The above table shows that 33.3% of the respondents agree with I am satisfied with the current diversity initiatives in place at KGISL followed by 26.1% of them strongly agree, 25.2% of them neutral, 10.8% of them disagree, 4.5% of them strongly disagree.

The above table shows that 37.8% of the respondents agree with I believe that diverse teams at KGISL lead to better problem- solving and decision-making followed by 27.9% of them strongly agree, 23.4% of them neutral , 5.4% of them disagree and strongly disagree.

PERCENTILE POSITION AND GARRETT VALUE

S.no	$100(R_{ij}-0.5)/N_j$	Calculated Value	Garret value
1	$100(1-0.5)/7$	7.14	79
2	$100(2-0.5)/7$	21.42	66
3	$100(3-0.5)/7$	35.71	58
4	$100(4-0.5)/7$	50	50
5	$100(5-0.5)/7$	64.28	43
6	$100(6-0.5)/7$	78.57	35
7	$100(7-0.5)/7$	92.85	22

TABLE SHOWING THE DISTRIBUTION OF RESPONDENTS BASED ON CHALLENGES IN ACHIEVING EFFECTIVE DIVERSITY AND INCLUSION IN ORGANIZATIONS

FACTORS	1	2	3	4	5	TOTAL	RANK
Importance of Diversity and Inclusion in Improving Organizational Performance	2607	2528	1580	1106	869	8690	1

Extent of KGISL's Promotion of an Inclusive Work Environment	858	3168	1584	858	792	7260	2
Impact of Diversity and Inclusion on Employee Engagement at KGISL	754	1624	2088	1102	812	6380	3
Ranking Factors Based on Their Impact on Employee Engagement at KGISL	900	1600	1100	1000	900	5500	4
Impact of a Diverse and Inclusive Workplace on Teamwork and Collaboration at KGISL	473	1333	1247	903	774	4730	5
Ranking the Biggest Challenges to Diversity and Inclusion at KGISL	0	0	0	0	0	0	7

INFERENCE:

The above table shows that garret table score value and ranking. Firstly, the garret rank is calculated by using appropriate garret ranking formula. Then based on the garret ranks. The garret table value is ascertained. The garret value given in which are multiplied to record garret score in table. Finally, by adding each row the total garret score is obtained. Then the garret scored is according to their values.

The first rank is given to "Importance of Diversity and Inclusion in Improving Organizational Performance"

The second rank is given to "Extent of KGISL's Promotion of an Inclusive Work Environment"

The third rank is given to "Impact of Diversity and Inclusion on Employee Engagement at KGISL "

The fourth rank is given to "Ranking Factors Based on Their Impact on Employee Engagement at KGISL

The fifth rank is given to "Rating KGISL's Efforts in Providing Equal Opportunities to Employees from Diverse Backgrounds.

The sixth rank is given to "Impact of a Diverse and Inclusive Workplace on Teamwork and Collaboration at KGISL"

The seventh rank is given to "Ranking the Biggest Challenges to Diversity and Inclusion at KGISL"

FINDINGS

LIKERT SCALE

- 45% of the respondents says that strongly agree with "KGISL provides equal opportunities for employees regardless of their gender, race, or background".
- 47.7% of the respondents says that agree with "I believe that diversity in teams enhances creativity and innovation at KGISL".
- 39.6% of the respondents says that agree with "KGISL's diversity programs have improved employee morale in my department".
- 32.4% of the respondents are neutral at "I feel that KGISL values the input of employees from diverse backgrounds".
- 38.7% of the respondents says that agree with "The leadership at KGISL actively supports and promotes diversity and inclusion".
- 33.3% of the respondents says that agree with "I am satisfied with the current diversity initiatives in place at KGISL".
- 37.8% of the respondents says that agree with "I believe that diverse teams at KGISL lead to better problem- solving and decision-making".

HENRY GARRETT RANKING

- The highest score is awarded for "Importance of Diversity and Inclusion in Improving Organizational Performance"
- The lowest score is awarded for "Ranking the Biggest Challenges to Diversity and Inclusion at KGISL"

SUGGESTIONS

- D&I foster innovation, problem-solving, and higher job satisfaction, enhancing collaboration, creativity, and adaptability in teams.
- Inclusive practices boost morale, reduce turnover rates, and increase productivity, driving better decision-making and organizational growth.
- Prioritizing D&I attracts top talent, expands market reach, and promotes knowledge-sharing and continuous learning.
- Overcoming unconscious bias and resistance to change requires training, mentorship, and fair hiring practices.
- A culture of inclusion enhances employee well-being and drives sustainable organizational performance, positioning D&I as key to business success.

CONCLUSION:

The study on the "Impact of Diversity and Inclusion on Organizational Performance and Employee Engagement at KGISL" highlights the significant role that diversity and inclusion (D&I) play in shaping organizational outcomes. The findings reveal that employees generally perceive a positive impact of D&I initiatives on employee engagement, innovation, and overall organizational performance. However, there are areas that require attention, particularly in enhancing gender and cultural diversity initiatives, increasing leadership involvement, and addressing challenges like unconscious bias and resistance to change. KGISL's commitment to fostering an inclusive workplace has been recognized, yet further efforts to engage employees and tackle existing barriers to inclusion could further solidify these efforts. Overall, the study emphasizes the critical role of D&I in achieving sustainable organizational success and fostering an engaged, high-performing workforce.

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