

# Diversity, Equity, And Inclusion (DEI) Initiatives and Job Performance: The Mediating Effect of Job Satisfaction Among Bpo Employees in Quezon City, Philippines

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## Abstract

This study examines the mediating role of job satisfaction in the relationship between Diversity, Equity, and Inclusion (DEI) initiatives and job performance among employees in Business Process Outsourcing (BPO) companies in Quezon City. Specifically, it aims to assess employees' perceptions of DEI practices, job satisfaction, and job performance, as well as to determine the direct and indirect relationships among these variables. A quantitative research design was employed, with data collected from 280 respondents, along with 30 participants for pilot testing to ensure the reliability and validity of the research instrument. Path analysis was utilized to examine the relationships among DEI initiatives, job satisfaction, and job performance. The findings reveal that all variables are positively and significantly related. DEI initiatives have a strong direct effect on both job satisfaction and job performance, while job satisfaction also significantly influences job performance. Furthermore, job satisfaction was found to partially mediate the relationship between DEI initiatives and job performance, indicating that inclusive workplace practices enhance employee performance both directly and indirectly through increased satisfaction. These results highlight the importance of implementing effective DEI strategies in fostering a supportive work environment that promotes employee satisfaction and performance. It is recommended that BPO organizations strengthen their DEI initiatives through equitable hiring practices, inclusive policies, and equal access to training and development opportunities to sustain employee engagement and productivity.

*Keywords:* Diversity, Equity, Inclusion, Job Satisfaction, Job Performance

## 1. Introduction

The increasing prominence of Diversity, Equity, and Inclusion (DEI) initiatives reflects a growing awareness among organizations of the importance of fostering inclusive and equitable workplace environments [1], [2]. In today's globalized and diverse workforce, organizations are compelled to move beyond traditional management practices and adopt strategies that recognize and value individual differences. DEI initiatives have thus emerged as essential components of organizational development, aimed at promoting fairness, respect, and equal opportunities for all employees [3].

Organizations across various industries have begun to develop and implement structured DEI strategies to cultivate a workplace environment where employees feel valued, respected, and supported [1]. These initiatives often encompass inclusive hiring practices, equitable access to training and development opportunities, and the establishment of policies that promote fairness and non-discrimination. By embedding these principles into organizational culture, companies aim to enhance employee engagement and create a sense of belonging among their workforce [4].

One of the primary outcomes associated with effective DEI implementation is the improvement of employees' job satisfaction. When employees perceive that they are treated fairly and inclusively, they are more likely to experience positive attitudes toward their work and organization [5], [6]. This sense of satisfaction is crucial, as it directly

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influences employees' motivation, commitment, and overall well-being in the workplace. Moreover, job satisfaction plays a critical role in determining job performance. Employees who are satisfied with their work environment tend to exhibit higher levels of productivity, creativity, and adaptability [7], [8]. They are also more likely to demonstrate strong organizational commitment and contribute positively to achieving organizational goals. As supported by prior studies, employees who feel supported by their organizations are less likely to leave and more inclined to perform effectively in their roles [9].

In addition to improving satisfaction and performance, DEI initiatives contribute significantly to enhancing employee morale and promoting ethical organizational behavior. A diverse and inclusive workplace encourages the exchange of ideas, leading to more innovative solutions and improved decision-making processes [10], [11]. Furthermore, such environments foster collaboration and mutual respect, which are essential for sustaining long-term organizational success.

These considerations are particularly relevant in the context of the Business Process Outsourcing (BPO) industry, which is characterized by a highly dynamic and competitive environment. The BPO sector relies heavily on human capital, making employee satisfaction and performance critical determinants of organizational success. As highlighted in recent reports, the Philippine BPO industry continues to experience substantial growth, contributing approximately 10–15% to the global BPO market [12].

Given this rapid expansion, maintaining a motivated, satisfied, and high-performing workforce has become increasingly important for BPO organizations. The implementation of effective DEI initiatives can serve as a strategic approach to address workforce challenges, including high turnover rates, employee burnout, and performance variability [13]. By fostering an inclusive environment, organizations can enhance both employee well-being and organizational productivity.

Despite the growing recognition of the importance of DEI initiatives, there remains a significant gap in the existing literature, particularly within the Philippine BPO context. Many prior studies have predominantly employed qualitative approaches or focused on conceptual discussions, with limited empirical evidence examining the relationships among DEI initiatives, job satisfaction, and job performance in this specific industry setting.

Furthermore, the mediating role of job satisfaction in linking DEI initiatives to job performance has not been extensively explored in the context of BPO employees. Understanding this mediating mechanism is essential, as it provides deeper insights into how and why DEI initiatives influence organizational outcomes [8], [13]. Addressing this gap can contribute to both academic knowledge and practical applications in human resource management.

In response to these gaps, the present study aims to examine the mediating effect of job satisfaction on the relationship between DEI initiatives and job performance among BPO employees in Quezon City. Additionally, it seeks to assess employees' perceptions of DEI practices, job satisfaction, and job performance within their organizations. This research also supports the United Nations Sustainable Development Goals (UNSDGs), particularly Goal 5 (Gender Equality) and Goal 10 (Reduced Inequalities), by promoting inclusive and equitable workplace practices.

## 2. Literature Review and Hypothesis Development

### 2.1. Diversity, Equity, and Inclusion (DEI) Initiatives and Job Satisfaction

Diversity, Equity, and Inclusion (DEI) initiatives have been widely acknowledged as fundamental drivers of employee well-being and satisfaction in modern organizations. A diverse workforce contributes to the creation of a positive work environment in which employees feel respected, valued, and supported regardless of their background [14], [15]. Such environments foster inclusivity and psychological safety, allowing employees to express themselves freely and engage more effectively in their roles.

Fair treatment and equal opportunities within the workplace significantly enhance employee morale, motivation, and interpersonal relationships. When employees perceive that organizational practices are equitable, they are more likely to develop trust and commitment toward the organization [16], [15]. Inclusion, in particular, strengthens employees' sense of belonging, which is a key determinant of job satisfaction and emotional attachment to the workplace [17], [15].

Furthermore, organizations that actively implement DEI practices tend to experience higher levels of employee retention and stability. Equitable access to training, career advancement, and organizational resources not only improves satisfaction but also strengthens workforce engagement and loyalty [18], [19], [20]. DEI initiatives have also been linked to improved organizational outcomes such as enhanced decision-making, competitiveness, and social responsibility [21], [22].

Empirical studies further support that inclusive HR practices and equal opportunities significantly contribute to employee satisfaction and long-term retention [23], [24]. Based on these arguments, the following hypothesis is proposed:

*H1: DEI initiatives have a significant positive effect on job satisfaction.*

## 2.2. Job Satisfaction and Job Performance

Job satisfaction is a critical factor influencing employee performance and overall organizational effectiveness. It reflects employees' emotional and cognitive evaluation of their work experiences, which in turn shapes their motivation and behavior in the workplace. A supportive work environment that fosters belongingness and engagement has been shown to translate satisfaction into improved performance outcomes [25].

Several determinants of job satisfaction—such as communication quality, nature of work, and reward systems—have been identified as key predictors of job performance. Employees who are satisfied with these aspects tend to demonstrate higher productivity, creativity, and adaptability in their roles [26]. Moreover, satisfied employees are more likely to exhibit organizational commitment and contribute positively to achieving organizational goals.

Training and development opportunities also play a significant role in enhancing job satisfaction, which subsequently improves job performance [27]. These findings highlight the importance of fostering a positive work environment to maximize employee potential and organizational productivity. Therefore, the following hypothesis is proposed:

*H2: Job satisfaction has a significant positive effect on job performance.*

## 2.3. DEI Initiatives and Job Performance

The relationship between DEI initiatives and job performance can be explained through Self-Determination Theory, which emphasizes the importance of fulfilling employees' psychological needs to enhance motivation and performance [28], [19]. DEI initiatives contribute to fulfilling these needs by promoting fairness, inclusion, and respect within the workplace.

Inclusive environments have been shown to enhance employee engagement, creativity, and innovation, all of which are essential for improving job performance [29]. Additionally, the promotion of equity and the elimination of workplace discrimination positively influence employees' attitudes and productivity [30].

A strong sense of belonging further encourages employees to share ideas, communicate effectively, and perform at higher levels. This not only enhances individual performance but also contributes to organizational growth and development [31]. Moreover, DEI practices implemented both internally and externally have been associated with reduced turnover and improved workforce performance [20].

At the organizational level, DEI initiatives have been linked to improved financial outcomes, increased employee engagement, and enhanced innovation capacity [32]. Based on these insights, the following hypothesis is proposed:

*H3: DEI initiatives have a significant positive effect on job performance.*

## 2.4. The Mediating Role of Job Satisfaction

Recent literature highlights the importance of job satisfaction as a mediating variable in the relationship between DEI initiatives and job performance. DEI practices enhance employees' perceptions of fairness, inclusion, and support, which in turn increase their job satisfaction and subsequently improve their performance outcomes [33].

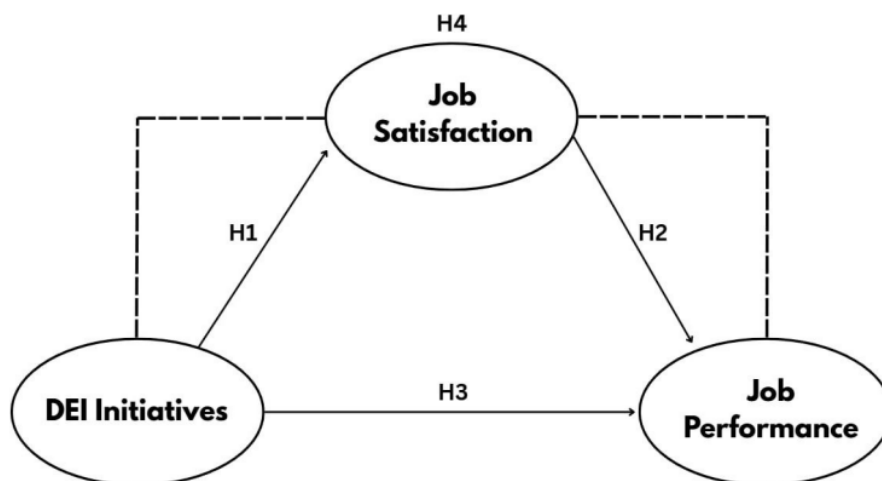
Studies have shown that employees who perceive a strong diversity and inclusion climate tend to report higher levels of satisfaction, which translates into better job performance and stronger organizational commitment [33], [34].

Additionally, DEI-related programs and initiatives contribute to employee engagement, retention, and overall workplace effectiveness.

This mediating mechanism suggests that DEI initiatives influence performance not only directly but also indirectly through employees' psychological and attitudinal responses. Thus, job satisfaction serves as a crucial link that explains how inclusive practices translate into improved organizational outcomes. Accordingly, the following hypothesis is proposed:

*H4: Job satisfaction mediates the relationship between DEI initiatives and job performance.*

Figure 1 illustrates the conceptual framework of the study, which depicts the hypothesized relationships among Diversity, Equity, and Inclusion (DEI) initiatives, job satisfaction, and job performance. As shown in the model, DEI initiatives are proposed to have both a direct and an indirect effect on job performance. The direct path suggests that inclusive workplace practices enhance employee performance by fostering a supportive and equitable work environment. Meanwhile, the indirect path operates through job satisfaction, which serves as a mediating variable linking DEI initiatives to job performance. This indicates that DEI practices not only influence performance outcomes directly but also enhance employees' level of satisfaction, which subsequently contributes to improved performance. Overall, the framework highlights the dual pathway through which DEI initiatives impact organizational outcomes, emphasizing the critical role of job satisfaction as an intervening variable in the relationship.



**Figure 1.** Research Framework

### 3. Methodology

This study employed a quantitative research design using a descriptive-causal approach to examine the relationships among Diversity, Equity, and Inclusion (DEI) initiatives, job satisfaction, and job performance. The descriptive component aims to systematically describe the characteristics and perceptions of respondents regarding the variables under investigation, while the causal component seeks to determine the direction and strength of relationships among these variables. This approach is appropriate as it allows for hypothesis testing through statistical analysis and provides empirical evidence to support the proposed theoretical framework.

The study was conducted among employees working in Business Process Outsourcing (BPO) companies located in Quezon City, Philippines. The total population of employees in this sector was not precisely known; therefore, a non-probability sampling technique, specifically convenience sampling, was employed. This sampling method was selected based on the accessibility and willingness of respondents to participate in the study, which is commonly applied in organizational research where a complete sampling frame is unavailable. A total of 280 respondents were included in the main study, as recommended by a licensed statistician to ensure sufficient statistical power and reliability of the findings. Prior to the main data collection, a pilot test involving 30 respondents was conducted to evaluate the clarity, validity, and reliability of the research instrument.

Data were collected through a structured questionnaire administered using a face-to-face approach between September and October 2025. This method was chosen to ensure a higher response rate and to allow respondents to seek clarification when necessary. The questionnaire was developed by the researchers and designed to measure the key constructs of the study, namely DEI initiatives, job performance, and job satisfaction. The instrument consisted of multiple items for each variable, all measured using a Likert scale to capture respondents' perceptions and attitudes in a quantifiable manner.

To ensure the reliability of the measurement instrument, Cronbach's Alpha coefficient was used to assess internal consistency. Cronbach's Alpha evaluates the degree to which items within a scale are correlated and thus measure the same underlying construct. The formula for Cronbach's Alpha is given as follows:

$$\alpha = \frac{k}{k-1} \left( 1 - \frac{\sum \sigma_i^2}{\sigma_t^2} \right) \quad (1)$$

In this formula,  $\alpha$  represents the reliability coefficient,  $k$  denotes the number of items,  $\sigma_i^2$  refers to the variance of each individual item, and  $\sigma_t^2$  indicates the total variance of the overall scale. A Cronbach's Alpha value greater than 0.70 is generally considered acceptable, while values above 0.90 indicate excellent internal consistency. In this study, all constructs exceeded the threshold of 0.90, confirming that the instrument demonstrates a high level of reliability.

To analyze the relationships among the variables, Pearson's Product-Moment Correlation Coefficient was employed. This statistical technique measures the strength and direction of the linear relationship between two continuous variables. The formula for Pearson's correlation is expressed as follows:

$$r = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sqrt{\sum (x - \bar{x})^2 \sum (y - \bar{y})^2}} \quad (2)$$

In this equation,  $r$  represents the correlation coefficient,  $x$  and  $y$  denote the observed values of the variables, and  $\bar{x}$  and  $\bar{y}$  represent their respective mean values. The value of  $r$  ranges from  $-1$  to  $+1$ , where values closer to  $+1$  indicate a strong positive relationship, values closer to  $-1$  indicate a strong negative relationship, and values near zero indicate no linear relationship. This analysis enables the study to determine whether DEI initiatives, job satisfaction, and job performance are significantly associated with one another.

Furthermore, mediation analysis was conducted to examine whether job satisfaction functions as an intervening variable in the relationship between DEI initiatives and job performance. The mediation model allows for the decomposition of effects into direct and indirect components. The indirect effect is calculated as the product of the path from the independent variable to the mediator and the path from the mediator to the dependent variable, as shown below:

$$\text{Indirect Effect} = a \times b \quad (3)$$

The total effect of the independent variable on the dependent variable is expressed as the sum of the direct effect and the indirect effect, as follows:

$$c = c' + (a \times b) \quad (4)$$

In this context,  $a$  represents the effect of DEI initiatives on job satisfaction,  $b$  represents the effect of job satisfaction on job performance,  $c$  represents the total effect, and  $c'$  represents the direct effect of DEI initiatives on job performance. To test the significance of the mediation effect, the Sobel test was applied using the following formula:

$$Z = \frac{a \times b}{\sqrt{b^2 S_a^2 + a^2 S_b^2}} \quad (5)$$

In this formula,  $S_a$  and  $S_b$  denote the standard errors of the respective paths. A statistically significant Sobel test indicates that the mediating variable significantly transmits the effect of the independent variable to the dependent variable.

All statistical analyses were performed using appropriate statistical software to ensure accuracy and consistency. The combination of reliability testing, correlation analysis, and mediation analysis provides a comprehensive examination of the relationships among DEI initiatives, job satisfaction, and job performance, thereby supporting the validation of the study’s hypotheses.

#### 4. Results

This section presents the empirical findings of the study, including the results of reliability analysis, descriptive statistics, correlation analysis, and hypothesis testing. The analysis aims to provide a comprehensive understanding of the relationships among Diversity, Equity, and Inclusion (DEI) initiatives, job satisfaction, and job performance among BPO employees in Quezon City.

The reliability analysis, as presented in [table 1](#), demonstrates that all constructs used in the study exhibit excellent internal consistency. The Cronbach’s Alpha values for all dimensions range from 0.918 to 0.966, which are well above the acceptable threshold of 0.70. This indicates that the measurement items within each construct are highly consistent and reliable in capturing the intended variables. Specifically, the dimensions of DEI initiatives, such as recruitment and hiring processes ( $\alpha = 0.938$ ), equitable training and career development ( $\alpha = 0.919$ ), inclusive workplace policies ( $\alpha = 0.928$ ), equal pay and benefits ( $\alpha = 0.944$ ), and workplace accessibility ( $\alpha = 0.927$ ), all demonstrate excellent reliability. Similarly, job performance dimensions, including task performance ( $\alpha = 0.918$ ), adaptive performance ( $\alpha = 0.939$ ), and creative performance ( $\alpha = 0.966$ ), indicate strong internal consistency. The job satisfaction construct also exhibits excellent reliability across all dimensions, confirming that the instrument is robust and suitable for further statistical analysis.

**Table 1.** Reliability Testing

Variables		Cronbach’s Alpha	Interpretation of Internal Consistency
DEI Initiatives	Recruitment and Hiring Process	0.938	Excellent
	Equitable Training and Career Development Opportunities	0.919	Excellent
	Inclusive Workplace Policies and Culture	0.928	Excellent
	Equal Pay Comparable to Work and Benefits for Comparable Work	0.944	Excellent
	Workplace Accessibility and Accommodation	0.927	Excellent
Job Performance	Task Performance	0.918	Excellent
	Adaptive Task Performance	0.939	Excellent
	Creative Task Performance	0.966	Excellent
Job Satisfaction	Pay Satisfaction	0.965	Excellent
	Promotion Satisfaction	0.933	Excellent
	Supervision Satisfaction	0.946	Excellent
	Coworker Satisfaction	0.937	Excellent
	Satisfaction with Work Itself	0.934	Excellent

The descriptive analysis of DEI initiatives, as shown in [table 2](#), reveals that respondents strongly agree with the presence and effectiveness of DEI practices within their organizations. The grand weighted mean scores range from 3.40 to 3.56, indicating a consistently high perception of inclusivity and fairness. Among the dimensions, diversity in recruitment and hiring processes obtained the highest mean score (3.56), suggesting that organizations prioritize equal

opportunities regardless of employees’ backgrounds. Inclusive workplace policies and culture (3.52) and workplace accessibility and accommodation (3.47) also received high ratings, reflecting employees’ perception of a supportive and respectful work environment. Meanwhile, equitable training and career development opportunities (3.46) and equal pay and benefits (3.40) further indicate that fairness in professional growth and compensation is being practiced. These findings collectively suggest that DEI initiatives are effectively implemented and positively perceived, contributing to a more inclusive organizational climate.

**Table 2.** DEI Initiatives Variables and Results

DEI Initiatives Variables	Grand Weighted Mean	Verbal Interpretation
Diversity in Recruitment and Hiring Process	3.56	Strongly Agree
Equitable Training and Career Development Opportunities	3.46	Strongly Agree
Inclusive Workplace Policies and Culture	3.52	Strongly Agree
Equal Pay and Benefits Comparable Work	3.40	Strongly Agree
Workplace Accessibility and Accommodation	3.47	Strongly Agree

The results for job performance, presented in [table 3](#), indicate that respondents report high levels of performance across all measured dimensions. The grand weighted mean values range from 3.35 to 3.44, all of which fall within the “strongly agree” category. Creative task performance recorded the highest score (3.44), indicating that employees frequently engage in innovative and creative problem-solving activities in their roles. Task performance (3.39) reflects employees’ ability to efficiently complete assigned duties, while adaptive task performance (3.35) highlights their capacity to adjust to changing work conditions and challenges. These results suggest that employees in the BPO sector demonstrate strong performance characteristics, including efficiency, adaptability, and creativity, which are essential in a dynamic and fast-paced work environment.

**Table 3.** Job Performance Variables and Results

Job Performance Variables	Grand Weighted Mean	Verbal Interpretation
Task Performance	3.39	Strongly Agree
Adaptive Task Performance	3.35	Strongly Agree
Creative Task Performance	3.44	Strongly Agree

Similarly, the descriptive results for job satisfaction, as shown in [table 4](#), reveal that employees experience high levels of satisfaction across various aspects of their work. The grand weighted mean scores range from 3.32 to 3.43, all interpreted as “strongly agree.” Coworker satisfaction achieved the highest mean score (3.43), indicating strong collaboration and positive interpersonal relationships among employees. Satisfaction with the work itself (3.38) and supervision satisfaction (3.38) further suggest that employees are content with their job roles and receive adequate guidance and support from their supervisors. Promotion satisfaction (3.35) and pay satisfaction (3.32), while slightly lower, still fall within the high satisfaction range, indicating that employees perceive fairness in compensation and career advancement opportunities. Overall, these findings suggest that employees are generally satisfied with their work environment, which is a critical factor influencing performance outcomes.

**Table 4.** Job Satisfaction Variables and Results

Job Satisfaction Variables	Grand Weighted Mean	Verbal Interpretation
Pay Satisfaction	3.32	Strongly Agree
Promotion Satisfaction	3.35	Strongly Agree
Supervision Satisfaction	3.38	Strongly Agree
Coworker Satisfaction	3.43	Strongly Agree
Satisfaction with Work Itself	3.38	Strongly Agree

To examine the relationships among the variables, Pearson’s correlation analysis was conducted, as presented in [table 5](#). The results reveal strong and statistically significant positive correlations among all variables. The relationship between DEI initiatives and job satisfaction is particularly strong ( $r = 0.889$ ,  $p < 0.05$ ), indicating that improvements in DEI practices are closely associated with higher levels of employee satisfaction. This suggests that inclusive workplace practices play a crucial role in shaping employees’ positive perceptions of their work environment.

**Table 5.** Pearson’s Correlational Analysis

Variables	r-value	p-value	Remarks
DEI Initiatives to Job Satisfaction	0.889	0.000	Significant
Job Satisfaction to Job Performance	0.888	0.000	Significant
DEI initiatives to Job Performance	0.857	0.000	Significant

Furthermore, job satisfaction shows a strong positive correlation with job performance ( $r = 0.888$ ,  $p < 0.05$ ), implying that employees who are more satisfied with their jobs are more likely to perform effectively. This finding highlights the importance of employee satisfaction as a key driver of productivity and organizational success. In addition, the correlation between DEI initiatives and job performance ( $r = 0.857$ ,  $p < 0.05$ ) is also strong and significant, indicating that DEI practices directly contribute to improved employee performance. The consistently high correlation values suggest that these variables are closely interconnected and mutually reinforcing.

The results of hypothesis testing, as summarized in [table 6](#), further confirm the relationships among the variables. Hypothesis 1, which proposes that DEI initiatives significantly affect job satisfaction, is supported by the results ( $\beta = 1.012$ ,  $t = 32.338$ ,  $p < 0.05$ ). This indicates that DEI initiatives have a strong and positive influence on employee satisfaction, reinforcing the importance of inclusive workplace practices.

**Table 6.** Hypothesis Testing

Hypothesis	Path	Path Coefficients ( $\beta$ )	t-Statistic	p-value	Interpretation
H1	DEI → JS	1.012	32.338	0.000	Positive and Significant Effect
H2	JS → JP	0.572	5.697	0.000	Positive and Significant Effect
H3	DEI → JP	0.354	27.769	0.000	Positive and Significant Effect
H4	DEI → JS → JP	(Sobel test statistic)	0.0990	0.3217	Partial Mediation

Hypothesis 2, which examines the effect of job satisfaction on job performance, is also supported ( $\beta = 0.572$ ,  $t = 5.697$ ,  $p < 0.05$ ). This finding suggests that higher levels of job satisfaction lead to improved performance, as satisfied employees are more motivated, engaged, and committed to their work.

Hypothesis 3, which proposes a direct relationship between DEI initiatives and job performance, is likewise supported ( $\beta = 0.354$ ,  $t = 27.769$ ,  $p < 0.05$ ). This indicates that DEI initiatives not only influence performance indirectly through satisfaction but also have a direct positive effect on employees’ ability to perform their tasks effectively.

Finally, Hypothesis 4 was tested through mediation analysis using the Sobel test. The results indicate an indirect effect value of 0.0990 with a p-value of 0.3217, suggesting a partial mediation effect of job satisfaction in the relationship between DEI initiatives and job performance. This implies that while DEI initiatives directly influence job performance, a portion of this effect is transmitted through job satisfaction. In other words, DEI initiatives enhance job performance both directly and indirectly by increasing employees’ level of satisfaction.

[Figure 2](#) illustrates the mediation model with parameter estimates, highlighting both the direct and indirect pathways between the variables. The model confirms that job satisfaction serves as a significant intervening variable, strengthening the relationship between DEI initiatives and job performance. These findings provide empirical support for the proposed theoretical framework and emphasize the importance of fostering inclusive workplace practices to improve both employee satisfaction and performance outcomes.





Figure 2. The mediation model with parameter estimates

## 5. Discussion

The findings of this study provide strong empirical evidence supporting the significant role of Diversity, Equity, and Inclusion (DEI) initiatives in shaping employee outcomes, particularly job satisfaction and job performance among BPO employees in Quezon City. Overall, the results confirm that DEI initiatives are not only ethically important but also strategically beneficial for organizational performance and workforce sustainability [1], [8], [32].

The results of the study reveal that DEI initiatives have a strong and positive influence on job satisfaction. This finding suggests that employees who perceive fairness, inclusivity, and equal opportunities in the workplace are more likely to feel satisfied with their jobs [5], [6], [14]. The high correlation and significant path coefficient indicate that DEI practices contribute substantially to employees' emotional and psychological well-being [14], [28]. This supports the argument that inclusive environments foster a sense of belonging and value among employees, which is essential for enhancing satisfaction [15], [17]. In the context of the BPO industry, where work pressure and employee turnover are common challenges, the presence of strong DEI practices can serve as a stabilizing factor that improves employee retention and engagement [18], [19].

Furthermore, the study confirms that job satisfaction significantly influences job performance. Employees who are satisfied with their work environment tend to exhibit higher levels of motivation, commitment, and productivity [25], [26]. This finding highlights the importance of creating a supportive and fulfilling work environment that enables employees to perform at their best. In highly dynamic industries such as BPO, where adaptability and efficiency are critical, satisfied employees are more likely to demonstrate creativity and resilience in handling job demands [25]. Thus, job satisfaction can be considered a key driver of individual and organizational performance [26], [27].

The results also indicate that DEI initiatives have a direct and significant effect on job performance. This suggests that inclusive workplace practices not only improve employees' attitudes but also enhance their ability to perform effectively [7], [8], [13]. DEI initiatives contribute to building a positive organizational climate that encourages collaboration, innovation, and effective communication [21], [22]. When employees feel respected and valued, they are more likely to contribute their ideas, take initiative, and engage in problem-solving activities, all of which are essential for improving performance outcomes [29], [31].

In addition to the direct effects, the study demonstrates that job satisfaction partially mediates the relationship between DEI initiatives and job performance. This finding provides a deeper understanding of how DEI initiatives influence performance outcomes. Specifically, DEI practices enhance job performance both directly and indirectly through increased job satisfaction [33], [34]. The partial mediation result indicates that while DEI initiatives independently improve performance, a portion of their impact operates through enhancing employees' satisfaction levels. This highlights the importance of considering both structural and psychological factors in organizational management [33].

The findings of this study are consistent with existing literature, which suggests that inclusive and equitable workplace practices enhance employee engagement, satisfaction, and performance [4], [10], [21]. The results align with prior

research indicating that DEI initiatives foster a supportive environment that encourages innovation, improves decision-making, and strengthens organizational commitment [2], [11], [32]. Moreover, the mediating role of job satisfaction is supported by previous studies emphasizing that employee attitudes serve as a critical mechanism linking organizational practices to performance outcomes [33], [34].

From a practical perspective, the results of this study have important implications for managers and policymakers in the BPO industry. Organizations should prioritize the development and implementation of comprehensive DEI strategies, including fair recruitment processes, equitable access to training and development opportunities, inclusive workplace policies, and equal compensation practices. These initiatives can enhance employee satisfaction, reduce turnover, and improve overall performance [18], [20], [24].

Additionally, organizations should focus on strengthening job satisfaction by fostering positive work relationships, providing adequate support from supervisors, and ensuring meaningful work experiences [25], [27]. Since job satisfaction acts as a key mechanism linking DEI initiatives to performance, improving satisfaction levels can amplify the effectiveness of DEI strategies [33].

Despite the significant findings, this study has several limitations that should be considered. The use of convenience sampling may limit the generalizability of the results, as the sample may not fully represent the entire BPO population. Furthermore, the study is limited to a specific geographical location, which may affect the applicability of the findings to other regions or industries. Future research may explore different sectors, employ probability sampling techniques, or incorporate additional variables such as organizational culture or leadership style to provide a more comprehensive understanding of the relationships examined in this study.

In conclusion, this study highlights the critical role of DEI initiatives in enhancing job satisfaction and job performance among BPO employees. The findings emphasize that inclusive workplace practices are not only beneficial for employees but also essential for achieving organizational effectiveness and long-term sustainability [1], [8], [32].

## 6. Conclusion and Recommendation

The findings of the study concluded that Diversity, Equity, and Inclusion (DEI) initiatives have a significant and positive impact on job satisfaction among BPO employees in Quezon City, confirming hypothesis 1 (H1). While does employees who perceive fairness in recruitment, equal training opportunities, and inclusive to experience high level of satisfaction. In relation to hypothesis 2 (H2), job satisfaction was found to significantly influence job performance, creativity, and adaptability of the employees. For hypothesis 3 (H3), results show that DEI initiatives directly enhance job performance by fostering an equitable and motivating work environment that encourages engagement and efficiency. Lastly, Hypothesis 4 (H4) was also supported, as job satisfaction was found to partially mediate the relationship between DEI initiatives and job performance, indicating that inclusivity not only improves performance directly but also indirectly through increased satisfaction. Overall, it is recommended that BPO companies continue to strengthen their DEI initiatives through fair recruitment, equitable training, inclusive policies, and equal pay practices to maintain employee engagement and satisfaction. Policymakers and industry stakeholders should also consider developing sector-wide DEI frameworks to standardize inclusive practices. However, the study is limited to BPO employees in Quezon City within a specific timeframe, so future research may explore other industries, locations, or additional mediating variables to further validate the results.

## 7. Declarations

### 7.1. Author Contributions

Conceptualization: E.L.L., B.M.L., S.M.L., A.P.M.M., K.E.C., J.O.G.; Methodology: S.M.L.; Software: E.L.L.; Validation: E.L.L., S.M.L., and J.O.G.; Formal Analysis: E.L.L., S.M.L., and J.O.G.; Investigation: E.L.L.; Resources: S.M.L.; Data Curation: S.M.L.; Writing Original Draft Preparation: E.L.L., S.M.L., and J.O.G.; Writing—Review and Editing: S.M.L., E.L.L., and J.O.G.; Visualization: E.L.L.; All authors have read and agreed to the published version of the manuscript.

## 7.2. Data Availability Statement

The data presented in this study are available on request from the corresponding author.

## 7.3. Funding

The authors received no financial support for the research, authorship, and/or publication of this article.

## 7.4. Institutional Review Board Statement

Not applicable.

## 7.5. Informed Consent Statement

Not applicable.

## 7.6. Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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