

The Influence of Diversity, Equity, and Inclusion Practices on Organizational Performance of Small and Medium Enterprises: Empirical Evidence from Lanao Del Norte

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Abstract

The relationship between diversity, equity, and inclusion (DEI) practices and organizational performance of small and medium enterprises (SMEs) in Lanao del Norte was examined in this study. It was designed to evaluate the performance of the organization, evaluate the level of DEI practices, characterize the demographic profile of the respondents, and determine whether a significant relationship exists between DEI practices and organizational performance. A quantitative approach was employed in the descriptive-correlational research design of the study. A structured survey questionnaire was employed to select a total of 300 respondents from a variety of small and medium-sized enterprises. The data was analyzed using descriptive statistics, including frequency, percentage, mean, and standard deviation. The Pearson Product-Moment Correlation Coefficient was employed to ascertain the relationship between variables. The results indicated that the respondents are primarily youthful, have a balanced sex distribution, and primarily possess basic and undergraduate educational qualifications. The findings indicated that diversity practices are implemented to a high degree, while equity and inclusion practices are implemented to a moderate degree. Additionally, organizational performance was determined to be moderate. In addition, the correlation analysis indicated that there is no statistically significant relationship between organizational performance and diversity, equity, and inclusion practices, as all computed p-values exceeded the 0.05 level of significance. The conclusions of the study are that, although DEI practices are implemented in SMEs, they do not have a direct impact on organizational performance. Organizations are advised to strategically incorporate DEI practices into their systems in order to maximize their potential for long-term performance.

Keywords: diversity, equity, inclusion, organizational performance, SMEs, Lanao del Norte