INCLUSION PRACTICES ASSOCIATED WITH EMPLOYEE JOB SATISFACTION IN BANKING SECTOR COMPANIES OF SRI LANKA

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Abstract

This research examines the relationship between inclusion practices and employee job satisfaction within the Sri Lankan banking sector, a critical industry undergoing post-crisis recovery and digital transformation. Despite growing scholarly attention to workplace inclusion, empirical evidence from South Asian developing markets remains limited, particularly regarding how specific inclusion dimensions influence job satisfaction in banking contexts. Adopting a positivist, quantitative approach, the study collected data from 375 banking employees using a structured online questionnaire based on judgmental sampling. Five dimensions of inclusion were investigated: inclusive and transparent decision-making; equitable and bias-free career development; robust and supported Employee Resource Groups (ERGs); inclusive leadership training and accountability; and flexible work arrangements and accommodation. Data were analyzed using Spearman's correlation and multiple regression analysis. All five inclusion practices demonstrate strong positive correlations with employee job satisfaction, with Spearman's coefficients ranging from 0.662 to 0.748. The regression model exhibits a strong fit ($R = 0.822$), with the five practices collectively explaining 67.5% of the variance in job satisfaction ($R^2 = 0.675$; $F = 153.554$, $p < 0.001$). Equitable and bias-free career development emerges as the strongest unique predictor, followed closely by flexible work arrangements and accommodation, and inclusive and transparent decision-making. However, robust and supported ERGs and inclusive leadership training and accountability do not reach statistical significance, suggesting these factors may operate indirectly through mediating variables or require more mature organizational implementation to exert direct effects. The study contributes empirical evidence from a South Asian developing market, extending inclusion theory by demonstrating that multidimensional inclusion initiatives significantly enhance employee satisfaction, organizational commitment, and retention, while identifying contextual boundary conditions under which specific practices may not yield direct effects. These findings offer strategic guidance for banking sector leaders and HR practitioners, who should prioritize equitable career development and flexible work arrangements, while recognizing that ERGs and leadership training may require longer-term investment before yielding measurable satisfaction outcomes.

Keywords: Banking Sector, Employee Job Satisfaction, Employee Resource Groups, Inclusion Practices, Inclusive Leadership