

# Achieving SDG 10 in the Workplace: An Empirical Model for Reducing Inequality Through Sustainable Compensation and Emotional Intelligence

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**Abstract:** This study analyses how sustainable compensation strategies and emotional intelligence encourage workplace inclusion. It examines how fairness, openness, and employee well-being in pay, along with emotional skills, can make employees feel valued and special. Based on the United Nations' Sustainable Development Goal 10 (SDG 10), the research views inclusive corporate strategies as a means to make the workplace more equitable and inclusive. A structured questionnaire was used to collect data from 200 employees in a quantitative, cross-sectional study. The Wong and Law Emotional Intelligence Scale (WLEIS) was used to test emotional intelligence, and the Perceived Group Inclusion Scale (PGIS) was used to measure workplace inclusion. Descriptive statistics, reliability testing, correlation, and multiple regression analyses indicated that sustainable compensation significantly predicts both belongingness and uniqueness, whereas emotional intelligence—specifically the appraisal of others' emotions—positively affects belongingness ( $\beta = .170, p < .05$ ). The models elucidated a significant proportion of variance in workplace inclusion. The results suggest that firms can enhance inclusivity and support SDG 10 by implementing equitable, transparent, and employee-focused compensation structures, as well as by promoting emotional intelligence through targeted training. This study contributes to the HRM literature by linking sustainable remuneration and emotional intelligence to inclusion, offering a pragmatic framework for integrating business practices with global sustainability goals.

**Keywords:** Sustainable Compensation; Emotional Intelligence; Workplace Inclusivity; Human Resource Management (HRM); Compensation Strategies; Corporate Strategies; Emotional Intelligence.

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## 1. Introduction

### 1.1. Background of the Study

In the contemporary business landscape, the pursuit of organisational sustainability has expanded beyond environmental concerns to encompass a more comprehensive vision of long-term value creation, ethical governance, and social equity. A critical component of this paradigm is the cultivation of inclusive workplaces where every employee feels valued, respected, and empowered to contribute their unique talents [14]. This imperative aligns directly with the United Nations' 2030 Agenda for Sustainable Development, particularly Sustainable Development Goal 10 (SDG 10), which aims to reduce inequalities

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within and among countries. While this global goal is often addressed at a macroeconomic level, its principles are increasingly being operationalised within corporations through strategic Human Resource Management (HRM) practices. This study examines the intersection of three critical HRM levers—sustainable compensation, emotional intelligence, and workplace inclusivity—as a powerful framework for organisations to address and mitigate internal inequalities. Sustainable compensation represents a progressive shift from traditional pay models, which often prioritise short-term financial metrics, to a system that rewards long-term value creation, promotes fairness, and supports employee well-being [4]. Concurrently, the concept of workplace inclusivity has evolved beyond simple diversity metrics to a more profound psychological experience. True inclusion is achieved when an organisation successfully satisfies an individual's competing needs for both belonging within a group and the recognition of their unique identity, a balance described by Brewer's [9] optimal distinctiveness theory. However, the effective implementation of fair policies and the creation of an inclusive climate are not solely dependent on systems and structures; the interpersonal competencies of the people within the organisation profoundly influence them. In this context, emotional intelligence (EI)—the ability to perceive, understand, and manage one's own and others' emotions—emerges as a crucial individual-level factor [3]. An employee's or leader's emotional competency may be the catalyst that translates well-designed compensation policies into a felt sense of fairness and transforms a diverse group into an inclusive team.

## **1.2. Statement of the Problem**

Despite the growing academic and practical interest in these individual concepts, a significant research gap exists at their intersection. While studies have begun to link sustainability-based executive pay to firm performance, there is a scarcity of research examining how sustainable compensation practices are perceived by employees and how these perceptions influence their psychological experience of inclusion at the micro-level [1]. Furthermore, while the role of emotional intelligence in leadership and job performance is well-established, its specific function in moderating or mediating the relationship between fair organisational practices and an employee's sense of belongingness and uniqueness remains underexplored [15]. This study addresses this gap by investigating the direct and interconnected influences of sustainable compensation and emotional intelligence on creating genuinely inclusive workplaces.

## **1.3. Research Objectives**

The primary objective of this study is to empirically examine the mechanisms through which organisations can foster an inclusive environment, thereby contributing to the principles of SDG 10. The specific objectives are:

- To examine the extent to which sustainable compensation practices, particularly fairness, equity, and support for employee well-being, influence an employee's sense of belongingness and uniqueness within their workgroup.
- To investigate the role of an individual's emotional intelligence, specifically their ability to perceive and understand others' emotions (Others' Emotion Appraisal), in fostering a greater sense of belongingness within their workgroup.

## **1.4. Significance of the Study**

This research offers significant practical and theoretical contributions. Practically, it provides HR managers and organisational leaders with an evidence-based framework for designing compensation systems and talent development programs that not only attract and retain talent but also build a resilient and inclusive culture. Theoretically, it contributes to the literature by empirically linking the macro-level concept of sustainability with the micro-level psychological experiences of employees, mediated by the critical competency of emotional intelligence. By framing these HRM practices as tangible contributions to SDG 10, this study provides a model for how businesses can align their internal strategies with global sustainability goals.

## **2. Literature Review**

This paper provides a comprehensive review of the theoretical and empirical literature relevant to the core constructs of this study: sustainable compensation, workplace inclusivity, and emotional intelligence. The review begins by establishing the theoretical framework that underpins the research, followed by a detailed examination of each key variable. Finally, it synthesises the literature to build a logical foundation for the development of the study's hypotheses.

### **2.1. Theoretical Framework**

This study is anchored in three complementary theoretical perspectives that connect organisational practices to individual psychological experiences. First, the concept of Sustainable Human Resource Management (Sustainable HRM) provides the overarching framework. Sustainable HRM extends beyond traditional strategic HRM by arguing that organisational policies should aim to create long-term value for a wide range of stakeholders, including employees, the organisation, and society [4]. This perspective posits that practices like compensation must be designed not only for immediate performance but also to

ensure social equity, employee well-being, and organisational resilience, directly aligning with the principles of SDG 10 [15]. Second, Adams' [5] equity theory offers a foundational lens for understanding employee perceptions of compensation. The theory suggests that employees are motivated by a desire for fairness and will compare their own input-to-outcome ratio (e.g., effort to pay) with that of their peers. Perceptions of inequity can lead to dissatisfaction, reduced motivation, and withdrawal from the situation. This study extends the theory by examining fairness within the broader, more modern context of sustainable compensation. Third, Brewer's [9] optimal distinctiveness theory provides the psychological basis for defining workplace inclusivity. The theory proposes that individuals possess two fundamental and competing human needs: the need for validation and belongingness within a group, and the need to maintain a distinct and unique identity. According to this model, true inclusion is achieved only when an environment can simultaneously satisfy both needs, making an employee feel they are both a trusted insider and a valued individual.

## 2.2. Sustainable Compensation

Sustainable compensation is an approach to remuneration that aligns pay practices with an organisation's long-term sustainability goals, moving beyond a singular focus on short-term financial performance. This model emphasises fairness, stakeholder value, and the overall well-being of employees [10]. It serves as a strategic tool for integrating ethical and sustainable principles into the core of an organisation's culture. For this study, sustainable compensation is operationalised through the multi-dimensional framework proposed by Guerri et al. [10], which includes:

- **Fairness and Equity:** This dimension is rooted in organisational justice literature and Equity Theory [5]. It refers to the employee's perception that their compensation is fair, both internally (in comparison to colleagues) and externally (in comparison to the market), and that the processes for determining pay are unbiased.
- **Transparency:** This pertains to the clarity, openness, and understandability of compensation policies and structures. Transparent systems enable employees to see a clear connection between their performance, contributions, and rewards, thereby enhancing trust and motivation [13].
- **Long-Term Orientation:** This dimension assesses the extent to which compensation systems, particularly incentives, reward behaviours that contribute to the long-term health and sustainable performance of the organisation, rather than exclusively rewarding short-term profits.
- **Employee Well-being:** This reflects the degree to which compensation contributes positively to an employee's financial security, work-life balance, and overall quality of life, viewing employees as stakeholders whose well-being is integral to organisational success.

## 2.3. Workplace Inclusivity

Workplace inclusivity is defined as the degree to which an employee perceives themselves as an esteemed member of the workgroup, while also maintaining their individuality within that group [8]; [9]. This study employs the robust, two-dimensional model derived from Optimal Distinctiveness Theory, which is measured using the Perceived Group Inclusion Scale (PGIS) developed by Jansen et al. [17].

- **Belongingness:** This construct captures the employee's feeling of being accepted, valued, and treated as an essential part of the team. It fulfils the fundamental human need for social connection and validation.
- **Uniqueness:** This construct measures the extent to which an employee feels their individual skills, perspectives, and authentic self are acknowledged and valued by the group. It fulfils the need for self-expression and differentiation.

Achieving high levels of both belongingness and uniqueness is the hallmark of a truly inclusive environment, which has been linked to higher psychological safety, job satisfaction, and innovative behaviour.

## 2.4. Emotional Intelligence

Emotional Intelligence (EI) is widely recognised as a critical competency in the workplace. This study utilises the ability-based model of EI, which defines it as a set of skills related to the perception and management of emotions. To measure this construct, the Wong and Law Emotional Intelligence Scale (WLEIS) is employed [3]. The WLEIS is a well-validated, 16-item self-report measure that assesses four key dimensions [18]:

- **Self-Emotion Appraisal (SEA):** The ability to understand and express one's own emotions.
- **Others' Emotion Appraisal (OEA):** The ability to perceive and understand the emotions of others.
- **Use of Emotion (UOE):** The ability to harness emotions to facilitate performance and achieve goals.
- **Regulation of Emotion (ROE):** The ability to manage one's own emotions and recover from distress.

Research has consistently shown that EI is a strong predictor of job performance, leadership effectiveness, and positive interpersonal dynamics [15]. This study focuses specifically on Others' Emotion Appraisal (OEA), as it is the most interpersonal dimension and is theorised to be crucial for fostering inclusive social environments.

## 2.5. Hypothesis Development

This section integrates the literature to formulate the research hypotheses.

### 2.5.1. The Impact of Sustainable Compensation on Workplace Inclusivity

An organisation's compensation system is one of the most powerful signals it sends to employees about what and who is valued. When compensation practices are perceived as fair, equitable, and transparent, they foster a sense of organisational justice and psychological safety [11]. This sense of being treated justly and without bias is a direct antecedent to feeling accepted and respected, which are core components of belongingness. A system that clearly supports employee well-being further reinforces the message that the employee is a valued member of the organisation. Simultaneously, when compensation is transparently linked to individual performance and contribution, it validates an employee's unique skills and efforts, thereby enhancing their sense of uniqueness. A long-term orientation that rewards sustainable value creation allows diverse perspectives to be recognised, moving beyond a narrow focus on standardised, short-term metrics. Therefore, it is proposed that sustainable compensation practices are a key driver of an inclusive workplace climate. This leads to the first hypothesis.

- **H1:** Sustainable compensation practices (comprising fairness & equity, transparency, long-term orientation, and employee well-being) will have a significant positive impact on workplace inclusion (both belongingness and uniqueness).

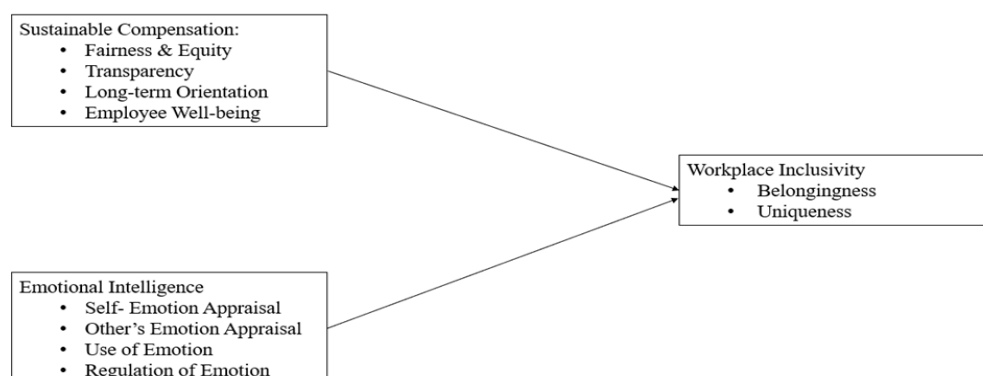
### 2.5.2. The Role of Emotional Intelligence in Fostering Belongingness

While fair policies can create the structural conditions for inclusion, the lived experience of inclusion is ultimately shaped by interpersonal interactions. An employee's feeling of belonging is heavily influenced by how their peers and leaders treat them. Emotional intelligence, specifically the ability to accurately perceive and understand the emotions of others (OEA), is a critical skill in this process [3]. Individuals with high OEA are more adept at reading social cues, showing empathy, and responding appropriately to the emotional states of their colleagues. This capacity for empathy and understanding makes others feel seen, heard, and valued, which is the very essence of belongingness. An employee who feels that their colleagues and leaders understand them is more likely to feel a strong sense of connection and acceptance within the group. This leads to the second hypothesis:

- **H2:** An individual's emotional intelligence, specifically their Others' Emotion Appraisal (OEA), will have a significant positive impact on their sense of belongingness within their workgroup.

## 2.6. Conceptual Framework

Drawing upon the theoretical foundations and the identified gaps in the literature, a conceptual framework was developed to guide this research.



**Figure 1:** The proposed conceptual framework

The framework, depicted in Figure 1, provides a visual representation of the hypothesised relationships among the study's core constructs. It models how an organisational-level practice (Sustainable Compensation) and an individual-level competency (Emotional Intelligence) serve as key antecedents to the psychological experience of Workplace Inclusivity.

## 2.7. Research Gap

The justification for this study is grounded in a systematic review of the literature, which identified several critical gaps at the intersection of sustainable compensation, emotional intelligence, and workplace inclusivity. The following Table 1 summarises these gaps, providing a clear rationale for the current research.

**Table 1:** Research gap

Author(s) & Year	Theme	Identified Research Gap
Adu and Baffour [1] and Phung et al. [13]	Sustainable Compensation	Existing research primarily focuses on firm-level outcomes (e.g., environmental performance) and executive pay. There is a scarcity of studies examining how sustainable compensation practices are perceived by the general workforce and how these perceptions impact micro-level psychological outcomes, such as inclusion.
Wong and Law [3] and Mustafa et al. [11]	Emotional Intelligence in the Workplace	While Emotional Intelligence (EI) is extensively linked to leadership and performance, its role in shaping how employees experience HR practices, such as compensation, is underexplored. Specifically, there is a lack of research testing the influence of distinct EI dimensions on an employee's sense of inclusion within the context of organisational justice.
Jansen et al. [17] and Shore et al. [8]	Workplace Inclusivity	The literature on inclusivity often focuses on its positive outcomes (e.g., well-being, innovation) but has not sufficiently explored its specific antecedents in progressive HRM practices, such as sustainable compensation, and the role of individual competencies, like emotional intelligence, in fostering it.
Kramar [14] and Côté [15]	Integrated HRM & Sustainability Models	The most significant gap is the absence of an integrated empirical model that simultaneously investigates the relationships between sustainable compensation, emotional intelligence, and workplace inclusivity. The literature treats these as separate domains, preventing a holistic understanding of how organisational policies and individual skills combine to create inclusive environments aligned with SDG 10.

This study is designed to directly address these interconnected gaps by proposing and empirically testing a model that links these critical variables, thereby contributing to a more nuanced and integrated understanding of the fields of sustainable HRM and organisational behaviour.

## 3. Research Methodology

This paper outlines the methodological approach employed to achieve the research objectives. It provides a detailed description of the research design, the population and sampling techniques used, the data collection instrument, and the procedures for data collection and analysis. As a quantitative study, the methodology was designed to ensure objectivity, reliability, and the ability to generalise findings in a structured manner [6]. Finally, it addresses the ethical considerations that guided the study.

### 3.1. Research Design

To investigate the relationships between sustainable compensation, emotional intelligence, and workplace inclusivity, this study adopted a quantitative, cross-sectional research design. A quantitative approach was chosen for its suitability in testing hypotheses and examining relationships between variables through statistical analysis [12]. The cross-sectional nature of the

design means that data were collected from the sample at a single point in time, providing a snapshot of the prevailing perceptions and attitudes regarding the constructs under investigation.

### 3.2. Population Sampling

The target population for this study comprised employees working in various organisations. Due to practical constraints and the exploratory nature of the study, a non-probability sampling method, specifically convenience sampling, was utilised to recruit participants. While this method limits generalizability, it is an effective technique for gathering data efficiently in preliminary research [16]. The final sample consisted of 200 employees ( $N = 200$ ) who voluntarily participated in the survey.

### 3.3. Data Collection Instrument

The primary instrument for data collection was a structured, self-administered questionnaire, which was divided into four sections. The selection of each scale was based on its theoretical relevance and established psychometric properties.

- **Section A:** Sustainable Compensation, this section comprises 16 items designed to measure employees' perceptions of sustainable compensation practices. As a standardised scale for this modern construct is still emerging, the items were developed based on the conceptual framework of Sustainable Human Resource Management. This framework argues that HR practices should support long-term organisational health, social equity, and employee well-being [4]; [14]. The scale was structured to measure four key dimensions proposed in this literature: Fairness & Equity, Transparency, Long-term Orientation, and Employee Well-being.
- **Section B:** Emotional Intelligence, this section utilised the 16-item Wong and Law Emotional Intelligence Scale (WLEIS), a widely validated and reliable instrument for measuring ability-based EI in workplace contexts [3]. This scale is based on the four-dimensional model of EI and was selected for its robustness in assessing an individual's ability to perceive, understand, and manage emotions. It assesses the four dimensions of Self-Emotion Appraisal (SEA), Others' Emotion Appraisal (OEA), Use of Emotion (UOE), and Regulation of Emotion (ROE).
- **Section C:** Workplace Inclusivity, this section measured the core dependent variable using the Perceived Group Inclusion Scale (PGIS). This scale is rooted in Brewer's [9] optimal distinctiveness theory, which posits that true inclusion satisfies the competing needs for both belongingness and uniqueness. The scale was developed and validated by Jansen et al. [17]. It was chosen for its ability to capture the nuanced psychological experience of inclusion through its two key dimensions: Belongingness and Uniqueness.
- **Section D:** Demographic Information. This final section collected demographic data from the respondents, including age, gender, educational qualification, and organisational tenure.

All perceptual items in the questionnaire were measured using a 5-point Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

### 3.4. Data Analysis Procedure

The collected data were coded and analysed using the IBM SPSS Statistics software (Version 27). The analysis was conducted systematically to ensure rigour and to address the research objectives effectively [2].

- **Descriptive Statistics:** Frequencies, percentages, means, and standard deviations were calculated to summarise the demographic profile of the respondents and to describe the central tendency and dispersion of the research variables.
- **Reliability Analysis:** A reliability test using Cronbach's Alpha ( $\alpha$ ) was conducted for each of the multi-item scales to assess their internal consistency. A threshold of  $\alpha \geq 0.70$  was considered indicative of acceptable reliability, as is standard in social science research [7].
- **Inferential Statistics:** To test the hypotheses, the following inferential statistical tools were employed:
  - **Pearson Correlation ( $r$ ):** This was used to examine the strength and direction of the linear relationships between the independent variables and the dependent variables.
  - **Multiple linear regression** was the primary technique used to test the hypotheses. Separate regression models were run to determine the predictive power of the independent variables on the dependent variables of Belongingness and Uniqueness. This analysis allows for the assessment of each predictor's unique contribution ( $\beta$  coefficient) and the overall explanatory power of the model ( $R^2$ ) [2].

### 3.5. Ethical Consideration

The study was conducted with strict adherence to ethical research principles as outlined by Saunders et al. [12]. All participants were provided with an informed consent form that detailed the purpose of the research and assured them that their participation was completely voluntary. Anonymity and confidentiality of the responses were guaranteed, and the collected data were used solely for academic research purposes. No personal identifiers were collected, ensuring that individual responses could not be traced back to the participants.

## 4. Data Analysis and Results

This paper presents the statistical analysis of the data collected from 200 respondents to test the research objectives. The data was processed and analysed using IBM SPSS Statistics (Version 27). The analysis follows a structured approach, beginning with data preparation and reliability checks, followed by a descriptive profile of the respondents, and finally, inferential analysis to test the proposed hypotheses.

### 4.1. Data Preparation and Reliability Analysis

Before the main analysis, the collected data were screened for completeness and accuracy. Composite scores for each research construct were calculated by computing the mean of its respective items. To ensure the internal consistency of the measurement scales, a Cronbach's Alpha ( $\alpha$ ) test was conducted. As shown in Table 2, all scales demonstrated acceptable to excellent reliability, with values exceeding the recommended threshold of 0.871.

**Table 2:** Reliability analysis

Scale / Subscale	Items	Cronbach's $\alpha$	Interpretation
Financial Efficiency (FE)	4	.702	Acceptable
Transparency (TR)	4	.734	Acceptable
Long-Term Orientation (LTO)	4	.767	Good
Employee Well-being (EW)	4	.737	Acceptable
Self-Emotional Awareness (SEA)	4	.781	Good
Others' Emotional Awareness (OEA)	4	.731	Acceptable
Use of Emotions (UOE)	4	.703	Acceptable
Behaviour (B)	4	.749	Acceptable
Understanding (U)	4	.728	Acceptable
Overall Scale (All 40 items)	40	.871	Excellent reliability

### 4.2. Demographic Profile of Respondents

The demographic characteristics of the 200 survey participants are summarised in Table 3.

**Table 3:** Demographic characteristics of survey respondents

Characteristic	Category	Frequency (n)	Percentage (%)
Age Group	Under 25	22	11.0
	25-34	67	33.5
	35-44	61	30.5
	45-54	39	19.5
	Above 55	11	5.5
	Total	200	100.0
Gender	Male	113	56.5
	Female	87	43.5
	Total	200	100.0
Highest Education	High School / Secondary	25	12.5
	Diploma / ITI	24	12.0
	Bachelor's Degree	73	36.5
	Master's Degree	58	29.0
	Doctorate (PhD)	20	10.0
	Total	200	100.0

Department	Production / Manufacturing	42	21.0
	Sales & Marketing / Logistics	47	23.5
	Quality Assurance / Control	18	9.0
	Research & Development	25	12.5
	Administration / HR / Finance	32	16.0
	Management / Leadership	36	18.0
	Total	200	100.0
Current Role	Junior / Entry-level Staff	58	29.0
	Team Member	70	35.0
	Supervisor	34	17.0
	Middle Manager	18	9.0
	Senior Management	13	6.5
	Executive / C-level (Assumed)	7	3.5
	Total	200	100.0
Tenure	Less than 1 year	39	19.5
	1 - 3 years	58	29.0
	4 - 7 years	48	24.0
	8 - 15 years	36	18.0
	More than 15 years	19	9.5
	Total	200	100.0
Employment Status	Permanent / Full-time	168	84.0
	Contractual (Fixed-term)	16	8.0
	Temporary / Casual	12	6.0
	Part-time	4	2.0
	Total	200	100.0

#### 4.3. Descriptive Statistics of Research Variables

Descriptive statistics, including the mean (M) and standard deviation (SD), were calculated for all primary research variables to understand the general response patterns (Table 4).

**Table 4:** Descriptive statistics of research variables

Variables	N	Mean	Std. Deviation
Fairness & Equity	200	2.99	1.024
Transparency	200	3.02	1.066
Long-term Orientation	200	2.98	1.074
Employee Well-being	200	3.01	1.086
Self-Emotion Appraisal	200	2.96	1.109
Others' Emotion Appraisal (OEA)	200	2.98	1.062
Use of Emotion	200	3.00	1.032
Regulation of Emotion	200	3.83	.720
Belongingness	200	3.00	1.051
Uniqueness	200	3.02	1.042
Valid N (listwise)	200		

#### 4.4. Inferential Analysis and Hypothesis Testing

This section presents the results of the inferential statistical analyses conducted to test the research hypotheses. The analysis begins with a Pearson correlation matrix to examine the initial relationships between all key variables, followed by multiple linear regression to test the specific predictive power outlined in the hypotheses.

##### 4.4.1. Preliminary Analysis: Correlation Matrix

Before testing the formal hypotheses, a Pearson correlation analysis was conducted to explore the strength, direction, and statistical significance of the linear relationships among all independent and dependent variables. As shown in Table 5, the



results indicate that all four dimensions of Sustainable Compensation were positively and significantly correlated with both Belongingness and Uniqueness. Notably, Long-term Orientation showed the strongest relationship with Belongingness ( $r = .385, p < .01$ ).

**Table 5:** Pearson correlation matrix for sustainable compensation and inclusivity

		Fairness & Equity	Transparency	Long-term Orientation	Employee Well-being	Belongingness	Uniqueness
Fairness & Equity	Pearson Correlation	1	.163*	.213**	.406**	.256**	.216**
	Sig. (2-tailed)		.021	.002	.000	.000	.002
	N	200	200	200	200	200	200
Transparency	Pearson Correlation	.163*	1	.244**	.183**	.287**	.284**
	Sig. (2-tailed)	.021		.001	.009	.000	.000
	N	200	200	200	200	200	200
Long-term Orientation	Pearson Correlation	.213**	.244**	1	.289**	.385**	.203**
	Sig. (2-tailed)	.002	.001		.000	.000	.004
	N	200	200	200	200	200	200
Employee Well-being	Pearson Correlation	.406**	.183**	.289**	1	.323**	.226**
	Sig. (2-tailed)	.000	.009	.000		.000	.001
	N	200	200	200	200	200	200
Belongingness	Pearson Correlation	.256**	.287**	.385**	.323**	1	.329**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	200	200	200	200	200	200
Uniqueness	Pearson Correlation	.216**	.284**	.203**	.226**	.329**	1
	Sig. (2-tailed)	.002	.000	.004	.001	.000	
	N	200	200	200	200	200	200
*. Correlation is significant at the 0.05 level (2-tailed).							
**. Correlation is significant at the 0.01 level (2-tailed).							

At the same time, Transparency had the strongest relationship with Uniqueness ( $r = .284, p < .01$ ). Similarly, as presented in Table 6, three of the four dimensions of Emotional Intelligence (Self-Emotion Appraisal, Others' Emotion Appraisal, and Use of Emotion) were positively and significantly correlated with both Belongingness and Uniqueness. Self-Emotion Appraisal demonstrated the strongest correlation with both Belongingness ( $r = .354, p < .01$ ) and Uniqueness ( $r = .336, p < .01$ ). Regulation of Emotion did not show a significant correlation with either outcome variable. These significant correlations provide initial support for the hypotheses and justify proceeding with regression analysis.

**Table 6:** Pearson correlation matrix for emotional intelligence and inclusivity

		Self-Emotion Appraisal	Others' Emotion Appraisal (OEA)	Use of Emotion	Regulation of Emotion	Belongingness	Uniqueness
Self-Emotion Appraisal	Pearson Correlation	1	.341**	.298**	-.052	.354**	.336**
	Sig. (2-tailed)		.000	.000	.468	.000	.000
	N	200	200	200	200	200	200
Others' Emotion Appraisal (OEA)	Pearson Correlation	.341**	1	.229**	.057	.288**	.197**
	Sig. (2-tailed)	.000		.001	.425	.000	.005
	N	200	200	200	200	200	200
Use of Emotion	Pearson Correlation	.298**	.229**	1	.013	.291**	.235**
	Sig. (2-tailed)	.000	.001		.855	.000	.001
	N	200	200	200	200	200	200
Regulation of Emotion	Pearson Correlation	-.052	.057	.013	1	-.082	-.114

	Sig. (2-tailed)	.468	.425	.855		.249	.107
	N	200	200	200	200	200	200
Belongingness	Pearson Correlation	.354**	.288**	.291**	-.082	1	.329**
	Sig. (2-tailed)	.000	.000	.000	.249		.000
	N	200	200	200	200	200	200
Uniqueness	Pearson Correlation	.336**	.197**	.235**	-.114	.329**	1
	Sig. (2-tailed)	.000	.005	.001	.107	.000	
	N	200	200	200	200	200	200

**\*\*.** Correlation is significant at the 0.01 level (2-tailed).

#### 4.4.2. Hypothesis 1 Testing: The Impact of Sustainable Compensation on Workplace Inclusivity

To test H1, two multiple linear regression models were executed to predict Belongingness and Uniqueness from the four dimensions of sustainable compensation.

##### Model 1: Predicting Belongingness

The first model was statistically significant ( $F(4, 195) = 15.010, p < .001$ ) and explained 22% of the variance in Belongingness (Adjusted  $R^2 = .220$ ). As shown in Table 7, Long-term Orientation ( $\beta = 0.272$ ), Transparency ( $\beta = 0.173$ ), and Employee Well-being ( $\beta = 0.172$ ) were all significant positive predictors. Fairness & Equity were not significant predictors in the model.

**Table 7:** Regression analysis for sustainable compensation predicting belongingness

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.882	.290		3.039	.003
	Fairness & Equity	.102	.071	.100	1.444	.150
	Transparency	.170	.064	.173	2.648	.009
	Long-term Orientation	.266	.066	.272	4.052	.000
	Employee Well-being	.167	.068	.172	2.440	.016

**a. Dependent Variable: Belongingness**

##### Model 2: Predicting Uniqueness

The second model was also statistically significant ( $F(4, 195) = 7.421, p < .001$ ), explaining 11.4% of the variance in Uniqueness (Adjusted  $R^2 = .114$ ). As detailed in Table 8, Transparency ( $\beta = .222$ ) was the only dimension of sustainable compensation that emerged as a significant positive predictor.

**Table 8:** Regression analysis for sustainable compensation predicting uniqueness

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.419	.306		4.629	.000
	Fairness & Equity	.117	.075	.115	1.560	.120
	Transparency	.217	.068	.222	3.195	.002
	Long-term Orientation	.090	.069	.092	1.291	.198
	Employee Well-being	.108	.072	.112	1.492	.137

**a. Dependent Variable: Uniqueness**

#### 4.4.3. Hypothesis 2 Testing: The Role of Emotional Intelligence on Workplace Inclusivity

To test H2, two further multiple regression models were run with the four dimensions of emotional intelligence as predictors.

##### Model 3: Predicting Belongingness

The third model was statistically significant ( $F(4, 195) = 11.637, p < .001$ ), explaining 17.6% of the variance in Belongingness (Adjusted  $R^2 = .176$ ). Table 9 shows that Self-Emotion Appraisal ( $\beta = 0.238$ ), Others' Emotion Appraisal ( $\beta = 0.170$ ), and Use of Emotion ( $\beta = 0.182$ ) were all significant positive predictors.

**Table 9:** Regression analysis for emotional intelligence predicting belongingness

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.730	.448		3.858	.000
	Self-Emotion Appraisal	.226	.067	.238	3.367	.001
	Others' Emotion Appraisal (OEA)	.168	.069	.170	2.449	.015
	Use of Emotion	.185	.069	.182	2.668	.008
	Regulation of Emotion	-.119	.094	-.082	-1.263	.208

*a. Dependent Variable: Belongingness*

#### Model 4: Predicting Uniqueness

The final model was also statistically significant ( $F(4, 195) = 8.520, p < .001$ ), explaining 13.1% of the variance in Uniqueness (Adjusted  $R^2 = .131$ ). As shown in Table 10, Self-Emotion Appraisal ( $\beta = 0.260$ ) and Use of Emotion ( $\beta = 0.140$ ) were significant positive predictors.

**Table 10:** Regression analysis for emotional intelligence predicting uniqueness

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.220	.456		4.862	.000
	Self-Emotion Appraisal	.245	.068	.260	3.583	.000
	Others' Emotion Appraisal (OEA)	.081	.070	.082	1.152	.251
	Use of Emotion	.142	.071	.140	2.009	.046
	Regulation of Emotion	-.155	.096	-.107	-1.616	.108

*a. Dependent Variable: Uniqueness*

#### 5. Conclusion and Implications

This research confirms that both sustainable compensation policies and individual emotional intelligence are significant drivers of workplace inclusivity. The findings reveal that an employee's sense of belonging is primarily fostered by compensation practices that demonstrate care and a long-term vision, particularly those that emphasise employee well-being and future security. Conversely, an employee's sense of uniqueness is largely influenced by transparency, underscoring that clear and open compensation systems are vital for validating individual contributions. Emotional competencies, particularly self-awareness and empathy, were also found to be crucial in fostering the interpersonal bonds that underpin an inclusive organisational culture. The study provides an evidence-based framework for advancing the United Nations' Sustainable Development Goal 10 (SDG 10): Reduced Inequalities.

To effectively achieve this, organisations should focus on creating transparent and fair compensation systems that prioritise employee well-being, fostering a climate of inclusion and equal opportunity. Moreover, inclusion must extend beyond policy implementation; it necessitates investment in emotional intelligence training to cultivate the interpersonal skills that transform diversity into genuine belonging. While the study offers valuable insights, its cross-sectional design limits the ability to draw causal interpretations. Future research should adopt longitudinal approaches to confirm these relationships over time and examine the potential moderating role of leadership in shaping inclusive workplace cultures. Overall, the research demonstrates that a truly inclusive organisation—one that actively reduces inequality—is built upon both equitable systems and emotionally intelligent individuals. By integrating sustainable compensation practices with emotional intelligence development, organisations can create fairer, more compassionate, and effective work environments that align with global sustainability objectives.

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