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SAMPLE MONTHLY BENCHMARKING REPORT

Employee Engagement

Each month, DiversityInc offers our benchmarking customers individualized reports, focusing on critical areas of diversity management and your competitive rankings within those areas, along with best practices and how-to's to improve your performance. We also offer [full monthly reports](#) and [webinars](#) on this topic. This month's topic, which parallels content on [DiversityIncBestPractices.com](#), focuses on employee engagement—creating a culturally competent workforce; developing talent to the fullest; full involvement of employee-resource groups; and creating opportunities for employees to give back to their communities.

I. Introduction: The Keys to Employee Engagement

What's the intersection of diversity management and employee engagement? What are the best ways to use internal tools already in place, especially employee-resource groups, mandatory diversity training and formal cross-cultural mentoring programs, to maximize employee engagement? Why is engagement so important? It leads to higher retention, maximum talent development and, therefore, innovation.

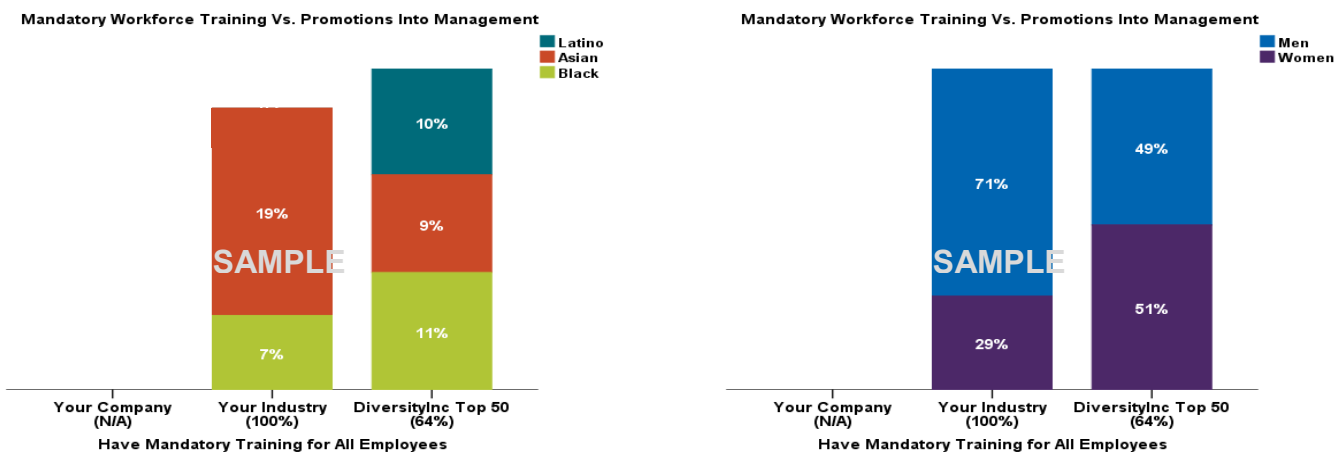
In this report, we will compare best practices and results to show you how your company, your industry and The 2010 DiversityInc Top 50 Companies for Diversity® engage ALL their employees for maximum business results. We will specifically focus on metrics-driven best practices that demonstrate increases in engagement, promotions and retention. For content on best practices on employee engagement from our DiversityInc Top 50 roundtables featuring chief diversity officers, [click here](#).

II. Using Training for Cultural Awareness

Why is mandatory diversity training necessary? Think of it this way: If you don't have mandatory training for your workforce, those who need it most will avoid it. Eighty-eight percent of the DiversityInc Top 50 have mandatory diversity training for all managers (up from 80 percent last year) and 64 percent make it mandatory for their entire workforce (the same as last year). They understand that cultural-competence training, in particular, is essential to creating an inclusive workplace where everyone feels valued and can reach maximum potential.

To find out how to measure the success of training and to learn what are the most effective methods of training for your organization, [click here](#).

The chart below shows a comparison for the relationship between having mandatory diversity training for the entire workforce and promoting people from the workforce into their first management jobs.



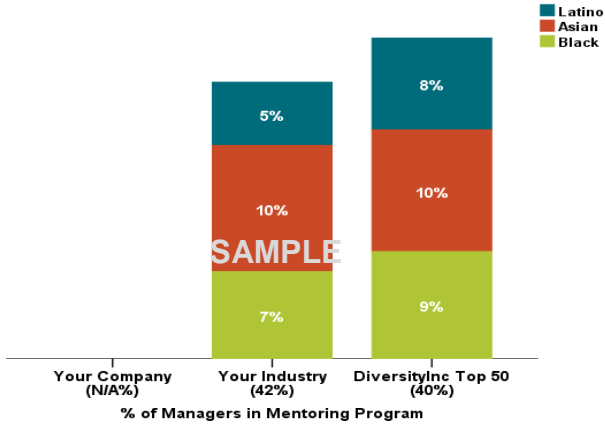
III. Mentoring and Talent Development

Companies increasingly are using mentoring as a vital talent-development tool and understanding how valuable it is for everyone, regardless of race, gender, orientation, physical ability or age. The cross-cultural component is key, and women, Blacks, Latinos and Asians often cite mentoring as their main reason for staying and flourishing at a company—for being truly engaged. For more on cross-cultural mentoring research, [click here](#). For presentations by IBM and PricewaterhouseCoopers, see DiversityInc's [webinar](#) on mentoring. If you don't yet have a mentoring program, [click here](#) to learn the best way to start one at minimal cost. If you want to know the best metrics to assess the success of your mentoring program—and see the top corporate mentoring program in the United States—[click here](#).

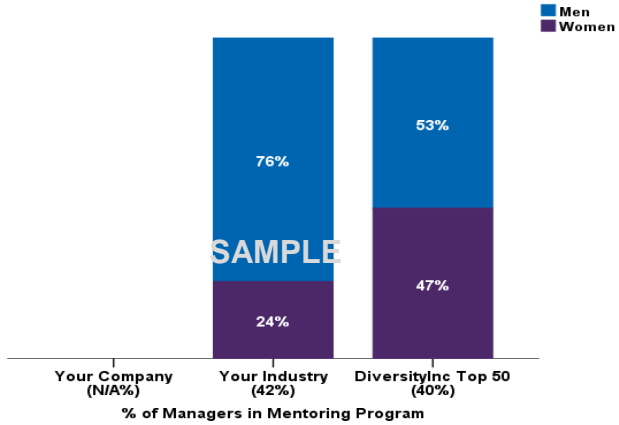
The charts below show you the comparatives for promotions in management (people who already were managers who moved up to a higher position during calendar year 2009) compared against the percentage of managers who participated in the formal mentoring program, as mentees, mentors or both. It's important to note that the most successful mentoring programs train both mentors and mentees in advance for cultural competence, monitor their progress during the relationship (which typically is for one to two years) and assess success by measuring engagement, retention and promotion rates for participants.

In these charts, note the differences by gender, race/ethnicity, women broken down by race/ethnicity and men broken down by race/ethnicity. When assessing participation rates for mentoring, note if your company offers formal mentoring throughout the organization or just at a few locations and how much of a component formal cross-cultural relationships are.

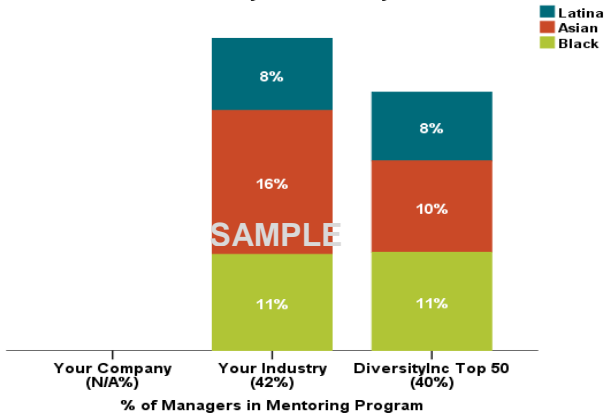
Mentoring Vs. Promotions in Management



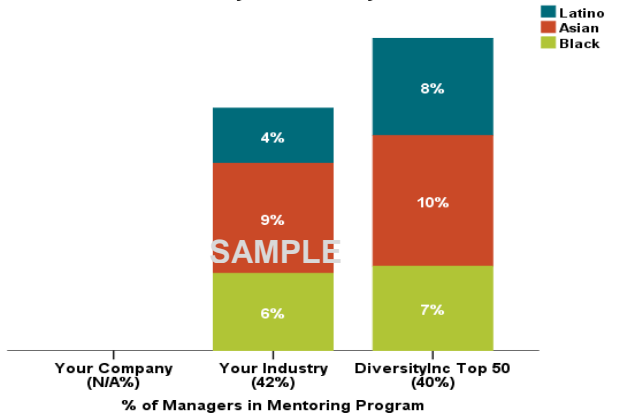
Mentoring Vs. Promotions in Management



Mentoring Vs. Promotions in Management
Women by Race/Ethnicity



Mentoring Vs. Promotions in Management
Men by Race/Ethnicity



IV. Employee-Resource Groups Are Vital

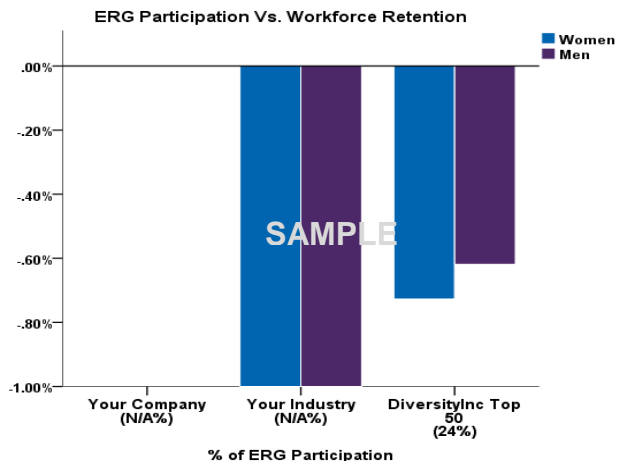
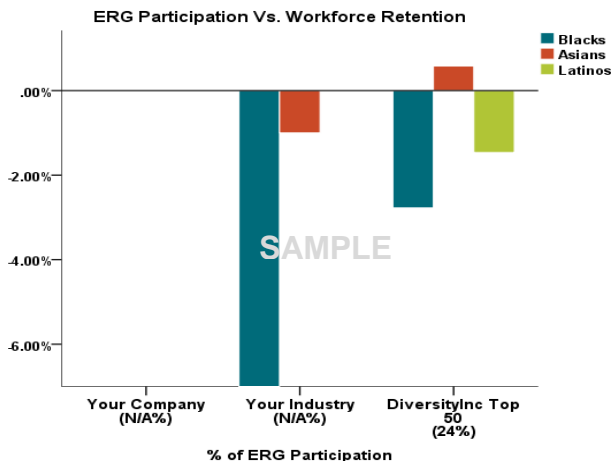
How does the level of engagement increase when employees are members of employee-resource groups (ERGs)? At a recent [DiversityInc roundtable](#), Aetna's Raymond Arroyo, chief diversity officer, shared how a study at Aetna showed that employees who are members of ERGs are 8 percent more engaged than their coworkers who aren't ERG members. "Our ERG members are more satisfied, have more pride in the company, rate managers higher and are less likely to leave," he says.

Involvement in employee-resource groups allows people from traditionally underrepresented groups as well as those who might not normally assume leadership positions to take a more visible and significant role in the company. It empowers employees, which results in higher engagement, retention, productivity and innovation.

Employee-resource groups (increasingly known as business-resource groups) are gaining in popularity and relevance to business goals. In the past five years, ERGs based on generational issues have quadrupled, global ERGs have increased sixfold, and veterans ERGs have increased tenfold.

The charts below compare workforce retention with the percentage of employees in ERGs. The charts are broken down by race/ethnicity and gender. It's important to remember that for purposes of measuring bias in retention, DiversityInc counts white people as the baseline, or zero. Anything plus or minus three percentage points' deviation from that is not statistically significant. Total retention isn't the issue here—what matters is whether your company or the comparative indexes are retaining white people more than Blacks, Latinos, Asians or women.

When looking at the percentage of employees who are members of ERGs, consider that this question asks for percentages of the entire workforce, including hourly and unionized workers, and requires the answer to include only people who are active members of the group. Those points may not have been clear in the 2010 DiversityInc Top 50 survey, on which this data is based, but they have been clarified for the 2011 survey.



V. Giving Back Enhances Engagement

Employers that offer their workers meaningful ways to use their skills and talents for social good—at the beginning, middle and end of their careers—are the new gold standard. One of the biggest paybacks is retention and engagement of valued employees.

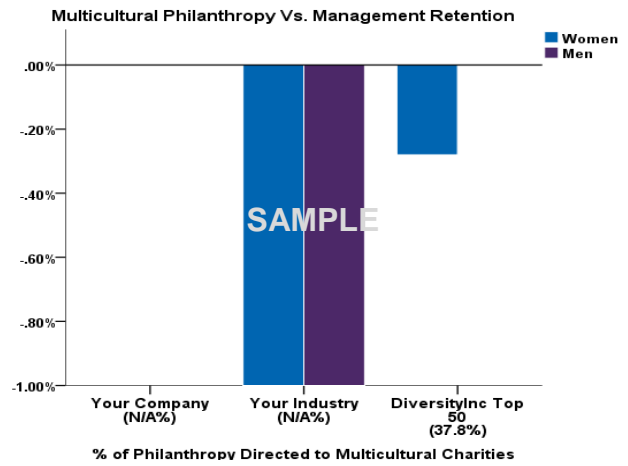
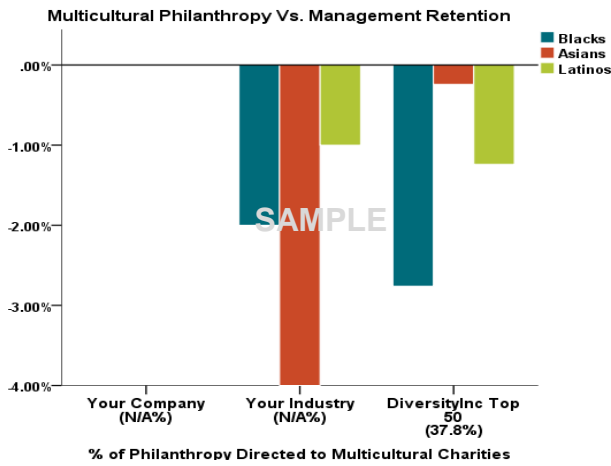
Studies show that employers that factor philanthropy, volunteerism and corporate giving into the equation are more successful at recruiting, motivating and retaining employees—especially younger workers and women. Approximately 62 percent of so-called millennials—also known as Generation Y, or workers between the ages of 18 and 26—would prefer to work for a company that provides opportunities for them to apply their skills to benefit nonprofit organizations, according to a Volunteer IMPACT Survey published by Deloitte.

Consider this:

- Eighty-two percent of the 2010 DiversityInc Top 50 companies offer their employees paid time off for volunteering, community outreach and professional-association activities.
- According to the 2010 Deloitte Volunteer IMPACT Survey, nearly 70 percent of companies polled offer paid time off for volunteer activities.
- Eighty-five percent of companies allow employees to volunteer during the workday, according to research sponsored by VolunteerMatch.

The chart below shows the percentage of your company's philanthropic budget that goes to multicultural charities (defined as those aimed primarily at Blacks, Latinos, Asians, American Indians, LGBT people and people with disabilities). This is compared against the management retention rate for your company, which, as noted earlier, puts white people at zero and measures the deviation for other groups from that zero base.

EMPLOYEE ENGAGEMENT



VI. Summary

The essential drivers of employee engagement, for everyone but especially for traditionally underrepresented groups, are the vehicles that enable people to reach their full potential, feel appreciated and valued, and have the ability to innovate. Employee-resource groups and formal cross-cultural mentoring are the most effective means of raising engagement, while giving employees opportunities to give back to their communities is also a proven successful approach.

Coming in December:
In-Depth Focus on Supplier Diversity