Employee-Resource Groups Webinar

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Assistance

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For other assistance, contact Customer Service at 973-494-0500.

Thank you!
The DiversityInc Top 50

- 12 years assessing corporate America
- Methodology is ethical, unbiased, transparent
- Organizations analyzed within context of industry
- Must have consistent strength across all four areas
- CEO Commitment
- Human Capital
- Corporate and Organizational Communications
- Supplier Diversity

No. of participants: 535 participants
# 2011 DiversityInc Top 50 Companies for Diversity

<table>
<thead>
<tr>
<th>Rank</th>
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<td>1.</td>
<td>Kaiser Permanente</td>
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<td>Booz Allen Hamilton</td>
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<td>Starwood Hotels &amp; Resorts Worldwide</td>
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<td>Monsanto Co.</td>
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<td>Rockwell Collins</td>
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<td>Allstate Insurance Co.</td>
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<td>Time Warner Cable</td>
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<td>Toyota Motor North America</td>
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<td>Ford Motor Co.</td>
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<td>AXA Equitable Life Insurance Co.</td>
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<td>Whirlpool Corp.</td>
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<td>Chrysler Group</td>
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Why Did Employee Groups Start, Evolve?

- First started as early as 20 years ago
  - Social networks
  - Usually for women and Blacks
- Became
  - Business-run and goal-oriented
    - Innovative strategies tied to business goals
  - Inclusive of everyone
  - Business *resource*, not social group
    - Communicate this clearly

% of DiversityInc Top 50 have ERGs

- 34% 10 years ago
- 76% 5 years ago
- 100% Today
Benefit to Employee

Top 3 Reasons for Joining an ERG

65%  
Enhance professional and personal development

63%  
Networking

41%  
Opportunity to raise awareness/make a difference

Source: Sodexo survey of 1,791 members reporting perceived benefits of participating in employee-resource groups
ERG Best Practices

% of DiversityInc Top 50 that have these practices

- % of CEOs Meeting With ERGs: 44% (2005), 88% (2011)
- % Senior Exec Sponsor ERGs: 78% (2005), 100% (2011)
- % Fund ERGs: 82% (2005), 100% (2011)
- % Let ERGs Meet During Workday: 74% (2005), 100% (2011)
Most Common Types of ERGs

% of DiversityInc Top 50 that have these ERGs

- Blacks, Latinos, Asians, Women: 74% (2005), 100% (2011)
- LGBT: 46% (2005), 100% (2011)
- Disability: 28% (2005), 76% (2011)
New and Innovative ERGs

% of DiversityInc Top 50 that have these ERGs

Veterans
- 4% (2005)
- 26% (2009)
- 54% (2011)

Generational
- 0% (2005)
- 16% (2009)
- 44% (2011)

- Telecommuters
- Religious
- Caregivers
- Parents
- Global
Religious Employee-Resource Groups

• Benefits – inclusive, addresses cultural competence issues, educational

• Drawbacks – Perception of proselytizing, LGBTs vs. fundamentalists, controversy

% of DiversityInc Top 50 Companies with Religious ERG

- 2005: 4%
- 2011: 26%
Global ERGs

% of DiversityInc Top 50 that has a global ERG

- Almost always gender-based
- Focused on recruitment/promotion
- Global Diversity Council model – Merck
Why Do You Need ERGs?

- **Recruitment** – Proven way to connect with traditionally under-represented groups/role models/on-boarding
- **Retention** – Identify cultural gaps; provide leadership opportunities
- **Talent Development** – Hidden gems/development/exposure to senior executives
- **Market Connection** – Best focus groups, idea generation, reach suppliers
- **Client Connection** – Representative talent, RFPs
Documented Benefits

- Helped in achievement of promotion: 15%
- Improved inter-office relationships: 50%
- Increased exposure to senior mgmt: 51%
- Increased desire to stay at company: 55%
- Helped build relationships across divisions: 58%
- Increased engagement: 74%

Source: Sodexo survey of 1,791 members reporting perceived benefits of participating in employee-resource groups
Understanding the Benefit: Recruitment

• Get the message out at job fairs, host networking events, alma maters, web-site testimonials

• Ensure cultural fit; onboarding

• Example: At CSX, the Military Affinity Group worked with the staffing department on a specific recruitment strategy aimed at veterans. They recruit veterans in 23 states covering 108 military installations

• The results

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<th>Black, Latino, Asian, American Indian</th>
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<tr>
<td>% of total hires</td>
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<td>% of management employees</td>
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CSX

26%

19%
Understanding the Benefit: Retention

- Why do they leave?
  - Feel disconnected or that careers are stalled
- ERGs identify cultural gaps that provide “safe spaces” and mentors

How to Use Your ERGs to Fix Retention Gaps

- 5 Lessons
  1. Ensure your ERGs understand their mission
  2. Train ERG leadership
  3. Expose ERGs members to senior leaders, including CEO
  4. Communicate ERG success throughout organization
  5. Measure ERG impact on retention and document it
Understanding the Benefit: Talent Development

- Employees who may not have the “right” credentials get leadership development, opportunity to shine

- Steward Anderson, HP, at first leery of “coming out” because had lost jobs at other company after being outed

- Came out at a company workshop and joined HP Pride group where he developed leadership skills that led to promotion

"My ability to think systematically and globally is largely because of my involvement in the employee-resource group. There was reciprocal mentoring. I was able to interact with other senior leaders in a non-threatening way." - Steward Anderson
Understanding the Benefit: Outreach

• Top 3 intangible benefits attributed to ERGs:
  • 81% increased diversity awareness
  • 56% enhanced community image
  • 52% increased organizational commitment

ERG impact on overall business objectives

- 73% Community Outreach
- 63% Recruitment
- 41% Branding

Source: Sodexo survey of 1,791 members reporting perceived benefits of participating in employee-resource groups
How to Measure Effectiveness of ERGs

- Annual goals

- Recruitment, retention, talent development

- Community results

- Charter should be agency-approved and tied directly to the mission

% of DiversityInc Top 50 employees who are members of ERGs

- 2005: 12%
- 2009: 19%
- 2011: 23%
ERG Best Practice Takeaways

• Track, grow membership
  • Put ERG success stories on intranet

• Explore leadership opportunities
  • Look for those NOT already on leadership track

• Document, communicate successes/contributions to the business

• Sponsor should expose group to higher tiers of management

• Groups should be inclusive; sponsors should not be of same race/ethnicity/orientation/gender/disability
Business Resource Groups

Donna Johnson
Chief Diversity Officer
MasterCard Worldwide
MasterCard & The Evolution of Diversity
Corporate Mission

MasterCard Worldwide is strategically positioned at the Heart of Commerce. Our understanding of how and why commerce is conducted allows us to create more advanced methods of payment that fuel economic connections and drive real business value.

Diversity & Inclusion at MasterCard

As a global organization, MasterCard Worldwide values and embraces diversity of thought, background and experience as we believe a diverse culture leads to creativity and innovation.
Established MasterCard’s diversity infrastructure to enable a global diversity program. Incorporate MasterCard’s diversity efforts within the business to drive impact, while sustaining and enhancing core programs. Positive business impact + enhanced brand and reputation = Business Driver

1. **Talent Management** – This reflects our commitment to not only hiring employees with diverse backgrounds and global competencies, but also developing their knowledge and skills so all employees are fully prepared to deliver the customized, competitive solutions for which we are known.

2. **Brand & Reputation** – This represents our determination to forge partnerships and seek sponsorships that help strengthen MasterCard Worldwide commitment to be a global diversity leader.

3. **Business Impact** – This epitomizes our resolve to leverage our diverse talent pool so we can identify innovative products and services to meet the needs of the many varied markets in which we operate.
The Global Diversity Office (GDO) is responsible for driving the significant expansion of MasterCard’s diversity and inclusion strategy across the organization.

- Creates and executes strategy and vision for D&I initiative

- Monitors measurable objectives that accurately reflect business performance

- Oversees and manages Global Diversity and Inclusion Council (GDIC) to build positive vision, direction and results through strategic initiatives that holistically impact diversity

- Provides an organizational structure and oversight in support of the Business Resource Groups (BRGs)
Evolution of the BRGs
BRG Brands and Missions

Each BRG has a unique brand identifier and mission that aligns with the global diversity and inclusion strategy.

EAST directs efforts and programs designed to enhance the understanding among all MasterCard employees of the overall trends in Asia, and how key dynamics impact our business in the region.

LEAD’s mission is to facilitate an environment that attracts, promotes, and retains employees of African descent, including providing them opportunities for professional growth. LEAD acts as a resource to provide insight into purchasing preferences of this minority group.

The Latin Network brings together employees of Latin descent, including Latin American, Spanish, Portuguese, French, and Italian and provides an opportunity for professional development and networking, while creating shareholder value for MasterCard through its connection to the Hispanic consumer segment and organizations.

The WLN seeks to advance women’s careers and performance through a culture of mentoring and coaching. By enabling members’ professional and personal growth, it provides reputational and financial benefit to MasterCard and our shareholders.
PRIDE members take a leadership role in fostering an environment of inclusiveness and respect throughout MasterCard regardless of sexual orientation, gender identity, or expression. PRIDE further serves MasterCard by helping the organization explore and implement ways to better reach out to the community as customers, clients, or employees.

YoPros’ mission is to create a network of young professionals that not only informs MasterCard business strategy as it pertains to this segment, but also fosters information sharing and relationship building.

WWAVE focuses on diversity of background and experience regardless of age or seniority. WWAVE fosters an environment that utilizes the experiences and talents of its members to positively impact MasterCard’s business through the identification of new ways to capture affluent consumers.
BRG Structure

➢ BRGs are supported and funded by the GDO
  - Budgetary oversight
  - Ensure alignment with corporate goals and the GDO’s overarching objectives and goals

➢ BRGs are led by global and regional steering committees and each has executive level sponsorship
  - Annual strategies align with GDO objectives (Brand & Reputation, Business Impact, Culture of Inclusion, Talent Management)
  - Groups partner with the GDO, HR and different business units to further their objectives and execute on strategies
  - Global organizations provide global events such as quarterly webcasts
  - Local chapters provide local events such as networking lunches and skills seminars
MasterCard Best Practices
MasterCard Best Practices

- Executive Sponsor
- Company Funded
- Mission & Charter
- Activities Align with Diversity Strategy
- BRG Guidelines Handbook
- Business Ethics and Compliance
- Group-elected Leaders
- BRG Membership Meetings with Senior Management
- Global Mindset/Local Office Focus
- Dedicated GDO support
- Individual Website and Event Calendars
- Monthly Membership Meeting
- BRG Leads Meetings with GDO
- Manage Internal Communications
- Direct Communication with Business Unit Owners
MasterCard Best Practices

MasterCard BRGs determine activities based on group interest and needs in the key areas of the overall global diversity strategy.

- **EAST**: Asian Pacific Heritage American Month, “Glimpses of Asia”
- **Latin Network**: MasterCard’s segmentation strategy
- **LEAD**: Ideation session
- **PRIDE**: GLBT Purchase preference sessions
- **WLN**: Global employee survey
- **WWAVE**: Skills assessments and career management
- **YoPros**: Community outreach
Making the Connection
GDO/BRG Partnership

- Annual Multicultural Summit
- Annual Executive Women’s Summit
- World’s Fair
- Membership Drive
- Mentoring Program
- BRG Recruitment Program
In 2010, the GDO worked with the Marketing Team to change the face of MasterCard externally. This included:

Advancing Diversity and a Culture of Inclusion at MasterCard
How our respect for the differences in people’s thoughts, skills, experiences and backgrounds is helping drive innovation.

Thank You!
Aetna Diversity Best Practices: Employee Resource Groups

April 26, 2011
It’s nice to meet you!

Meghan O’Brien McNamara
Director of Diversity
Let’s talk Employee Resource Groups (ERGs)

- How Aetna Defines Diversity
- From Working Parents to Teleworkers
- ERGs: Impact and Influence
- Enabling Sustainable Success
How Aetna Defines Diversity
Aetna’s Values Link to Diversity

- Articulated by management, reinforced through our planning process and linked to company strategy and individual rewards
- Reflected by investing appropriately in initiatives
- Embraces all types of diversity and is expressed in all aspects of the work
- Monitored and shared on an on-going basis
- Supports our company goals and positively impacts our business results
From Working Parents to Teleworkers
Aetna Diversity Best Practices: ERGs

Aetna’s 15 ERGs

- Aetna Families Employee Resource Group
- Caregivers Employee Resource Group
- Aetna African American Employee Resource Group
- Aetna Hispanic Employee Resource Group
- Aetna Native-American Employee Resource Group
- Asian-American Employee Resource Group
- Aetna Women’s Employee Resource Group
- Aetna Veterans Employee Resource Group
- Employees with Disabilities Employee Resource Group
- Aetna Employee Resource Group of Gay, Lesbian, Bisexual and Transgender Employees
- Christian Employee Resource Group
- Boomers Employee Resource Group
- Gen X Employee Resource Group
- Gen Y Employee Resource Group
- Telework Community Employee Resource Group
ERGs: Impact and Influence
ERGs are Good for Business

- Extending the Aetna brand
- Employee engagement
- Professional development
- Influencing strategy
- Recruitment and retention
- Supporting business initiatives
ERGs: The Model

Intelligence to Support Differentiation and Preference

Attraction and Retention

Marketplace

- Product Design
- Marketing
- Distribution

Workplace

- Targeted Sourcing
- Development/Learning
- Benefits Design/Pay

15 Employee Resource Groups

(Including: Employees of Color, LGBT, Teleworkers, Caregivers, Generational, Veterans, Employees with Disabilities, Christians, Working Families)
Employee Engagement

Annual Employee Engagement Survey Results

Non-ERG 2009: 78
Non-ERG 2008: 73
ERG 2009: 86
Y.O.Y. Difference 15% Pts.
ERG 2008: 71
Aetna Overall 2009: 80
Aetna Overall 2008: 73
Internal Best in Class: 95
Overall Kenexa: 66

Y.O.Y. = year-over-year
Employee Engagement

- Employee Survey results for ERGs were significantly higher as compared against employees who are not ERG members.
- Measures of Employee Engagement, Manager Effectiveness, and Customer Focus showed the biggest difference between ERGs and non-ERGs.
- Analyzed 24+ unique demographic groups and business units to test validity of results.
Extending the Aetna Brand

ERGs further Aetna strategy:

To be the global leader in empowering people to live healthier lives
Aetna Diversity Best Practices: ERGs

Influence on Strategy and Support of Business Initiatives

Angle ERG developed an alliance with CABO, bringing new customers to Aetna

Providing Market Insights
ERG member focus groups helped Aetna better tailor its products to market segments, including LGBT, Hispanic and Asian consumers

ERGs participated in pilots to inform the company’s approach for using social and business networking sites, as well as the use of mobile technology to engage members

Building Careers at Aetna For Gen Y
EnRGY ERG members helped develop a workforce strategy to attract and retain Gen Y, including a recruiting video
Professional Development

Talent Manager tool now includes an option for ERG members to indicate participation and leadership in an ERG

- “Advancing Aetna’s Growth Strategy” workshop provided overview of strategic planning process and connection to business unit / individual goals
- ERGs are required to develop strategic and operating plans that align with enterprise initiatives

- ERG programs provide members with development in several areas, including change management, communication skills and emotional intelligence
- Governance structure and peer mentoring within ERGs help sustain engagement and foster leadership

- Executive Sponsors and other leaders provide insight on business priorities, career paths, and value of ERGs
Enabling Sustained Success
Aetna Diversity Best Practices: ERGs

Elements Foundational to ERG Success

- Leadership support
- Consistent and targeted communication
- Formal business planning, review process and tracking system
- Integration in enterprise systems
- Best-practice sharing
- Measurements of success
- Open to all employees

- Visibility
- Infrastructure and self-service resources
- Governance
- Clearly defined roles and accountability for key positions
- ERGs viewed as talent development opportunities
- Defined path to progress along the maturity model
Send In Your Questions!

• You may submit your questions via the web by using the text chat box on your screen.

• Simply type in your question and click send.
2011 Webinar Schedule

- Generations in the Workplace
  - May 17

- Best Practices from the DiversityInc Top 50/CEO Commitment
  - June 21

- Diversity Councils
  - July 26

- Diversity Metrics/Accountability
  - Sept. 20

- Mentoring
  - Oct. 18

- Talent Development
  - Nov. 15
Thank You for Attending the Webinar

• You will receive a follow-up e-mail from us containing the link to download this presentation for future reference

• The presentation will be available approximately 72 hours after this event

• Questions? Call (973) 494-0500