



# Beyond Mandatory: Arch’s Voluntary Path to 1,017 DEI Champions

Arch Insurance

Best Advance in Leading Diversity, Equity, Inclusion and Belonging Initiatives

November 2024



## Company Background



Company-at-a-Glance	
Headquarters	Jersey City, New Jersey
Year Founded	2002
Revenue	\$7.9 billion in gross premium
Employees	1,960 in Insurance North America
Global Scale (Regions that you operate in or provide services to)	Arch Insurance North America provides risk solutions in the United States and Canada.
Customers/Output, etc. (Key customers and services offered)	Arch Insurance provides property, casualty, and specialty risk solutions to clients worldwide across a wide range of industries.
Industry	Insurance
Stock Symbol	ACGL
Website	<a href="https://insurance.archgroup.com/">https://insurance.archgroup.com/</a>



## Budget and Timeframe

Budget and Timeframe	
Number of (HR, Learning, Talent) employees involved with the implementation?	Five employees.
Number of Operations or Subject Matter Expert employees involved with the implementation?	N/A
Number of contractors involved with implementation	Two contractors.
Timeframe to implement	2019 -2023
Start date of the program	March 1, 2022

## Business Conditions and Business Needs

Arch Insurance experienced profitable and steady growth, with significant growth in the number of employees over the last five years. In 2019, Arch had 1150 employees. By the end of 2023, we had close to 2,000; approximately 80% growth in employee headcount! With this incredible growth journey and expansion, Arch leaders realized that maintaining the strong and innovative, and family-like culture would be imperative. Teams worked well together but may not have always looked for new approaches or sought diverse perspectives. With the rapid pace of change, employees experienced growing pains and felt a shift toward day-to-day priorities versus the entrepreneurial closeness which made some begin to feel disconnected. The push to make decisions quickly and get work done led to increased productivity, but it did not always make everyone feel included in the process. The COVID pandemic also dramatically shifted how and where all employees worked, creating more challenges for a sense of belonging.

All employees expressed desire to connect and develop and to feel like they belonged. Employees wanted more meaningful interaction with each other, to contribute to decision making, and feel valued as a team member. In a competitive landscape, innovation and excellence stem from the collaboration of minds that see the world through different lenses. It was clear that if these items were not



addressed, it could have a lasting effect on Arch's goal of becoming one of the best places to work and the being the best in the industry.

## Overview

At Arch Insurance, our brand promise is “Pursing Better Together”. It is understood that embracing diversity is the right thing to do for employees and the right thing to do for shareholders and customers. Realizing that employees are the key to success, the organization strives to leverage engaged and empowered employees who feel confident to share new ideas and perspectives boldly. In fact, “Be Bold” is one of the key Arch Experience Behaviors, born of Arch's Values.

However, despite the best of intentions, biases and unintentional actions can seep into the workplace, casting long shadows on the collective aspirations for unity and high performance. This is especially challenging when the organization has experienced significant growth and suffered a global pandemic. Any one of these occurrences could put pressure on employees and teams, but both occurring simultaneously created an opportunity for Arch to lean into our Values and strengthen our culture.

Digging into the roots of the family-like organization that Arch began as, we embarked on a strategic journey to build and strengthen a culture of belonging where every employee feels included and able to thrive. This strategy included three key pillars: learning together to raise awareness, create empathy and build allies; developing inclusive leaders; and building a connected employee community. These initiatives are described further in this application.

Executive leaders were intimately involved sponsoring and supporting these efforts to build and strengthen a culture of belonging. They encouraged strong participation in learning programs around the topic (i.e., The President sent out emails asking employees to “Join me in being an ally”, see Appendix), scheduled “Ask Me Anything” sessions with CEO and President to reinforce and support the learning, and proposed a number of charity donation contests based on employee participation and alignment of diversity goals.

Arch focused on intentionally creating an environment where every employee feels valued, heard and connected — a place where a sense of belonging isn't just a goal but a reality for all.



## Leadership Practices

### Head Heart Hands Model of Engagement for D&I

When looking to implement D&I learning at Arch, the company incorporated the head, heart, hands model to help employees engage in content in a holistic way that meets all the levels of cognitive and emotional processing required to implement behavioral change. In other words, appealing to the analytical, emotional and logistical parts of who they are as people. The model supports bridging the gap between theory and practice and the educational content provided by Arch supported this imperative. The “head” portion of the model is provided through the educational course content, the “heart” is in explaining how the subject area impacts someone’s well-being and the “hands” is where solutions are developed to create change.

### Learning together to raise awareness, create empathy and build allies

Arch employees are very technical and often have limited time for additional tasks outside of their day-to-day work, therefore the learning provided needed to be easily accessible, engaging, tactical, and aligned with company values. Arch decided to contract with Hone, a training company dedicated to providing live, virtual, instructor-led sessions for remote and hybrid teams driving lasting behavior change. Hone customized the content to align with Arch’s language and incorporated our values to make the content instantly connect with employees. Arch also contracted with Moxie Exchange to provide the Everyday Inclusion app that employees can use on their cell phones to find relevant, up-to-date, and easily digestible micro-learning content.

One of the pivotal moments in this initiative was the public endorsement of the D&I learning course by senior leadership during quarterly webcast meetings. The Chief Strategy Officer championed the course in front of 1000+ employees, signifying executive endorsement. The course continued to be endorsed in subsequent webcasts. Furthermore, executive leaders at the company actively participated in the course alongside employees, emphasizing a unified commitment. (See Appendix).



The Hone course structure is especially beneficial to Arch employees because the last step of their course is to create a personal commitment for future behavior. Asking for a public commitment was critical because it was practical and could be implemented immediately. It provided a sense of empowerment for employees because they developed the solution themselves and it kept them accountable (the Hone platform sent email reminders around employee commitments). Arch selected commitments to share with all employees through the internal website and newsletters.

Every year Arch selects a new D&I course for employees to participate in. From 2019-2023, annual course topics included unconscious bias, turning barriers into bridges, creating a culture of belonging and embracing allyship.

With the Culture of Belonging initiative beginning in 2022, a change was implemented from mandatory D&I courses to voluntary. Research shows that D&I learning that is mandatory is often met with contention and can increase biases or negative feelings around diversity initiatives. Moving away from this approach helped Arch motivate employees in a different way — creating a positive work environment and supporting other company imperatives, such as aligning with company values and giving back to charity.

Additionally, by making the initiative optional, Arch created a safe, inclusive environment that allowed its employees to participate, regardless of where they were on their journeys. Whether employees were looking to take the first step in learning more, or if they were ready to think more critically about behavioral change, the initiative provided options for people at all levels.

### **Developing Inclusive Leaders**

Along with the Hone learning course, an app, Everyday Inclusion (EI), was integrated into Arch's Manager Essentials leadership program, which provides leaders with the necessary knowledge and tools to effectively implement inclusive practices. By embedding D&I principles within the leadership curriculum, Arch prioritized and underscored the significance in effective management practices at the company. This approach recognizes that managers had the most impact on company culture and individual employee performance. The app included content specifically targeted to leaders offering modules around inclusive decision making, psychological safety and unconscious bias for leaders.



Some managers from the Manager Essentials leadership program took the extra initiative to introduce the app to their teams and requested training sessions to align the app's content to The Arch Experience, which is a unique initiative aimed at providing exceptional customer (internal and external) experience in every interaction. The Arch Experience identifies 14 behaviors that underscore Arch values. A few behaviors highlighted in the manager program include 'Be Yourself and Choose to Include', 'Be the Solution', and 'Be an Effective Communicator'. These sessions also addressed relevant team dynamic concepts, such as navigating multi-generational teams, facilitating difficult conversations and inclusive hiring practices. This allowed the teams to not only view the app as a resource to embed practices aligned with company culture, but also a tool to create effective team dynamics.

In addition to weaving inclusion into all leadership development content, Arch's leaders had the opportunity to complete a training course on fostering inclusive leadership and participate in an inclusive leader challenge.

## **Engagement**

### **Building a Connected Employee Community**

#### Leadership Support and Encouragement

Executive leadership's commitment extended beyond participation in the course. Both the CEO and President volunteered their time for "Ask Me Anything" sessions, providing invaluable one-on-one time with employees and reinforcing the learning. This opportunity was offered to a series of employees across business units that demonstrated a high-level commitment to the initiative which was determined by their overall course completion rates. This not only incentivized participation but met another organizational imperative to provide employees with more visibility to senior leadership.

Business unit leaders also played a vital role in disseminating information and fostering enthusiasm for the course by sharing monthly progress updates with their units. Sending reminders to unit leads on the amount of people that have and have not completed the course aided in ensuring enrollment remained high — at 95-100% — with a subsequent completion rate of 80% on average. To support further engagement, the learning and development team worked with business unit leaders who had low enrollment to determine tactics that supported their team's engagements. For example, it made more practical sense to roll out learning efforts



during the time of year when the unit's workload was more manageable and did not conflict with its busy seasons.

### Motivation and Giving Back

In 2022, to encourage participation, Arch asked employees to join the "I Am Part of It" campaign. The campaign spotlighted short messages from employees who completed the Hone course sharing why it was important to take the course and how they opt to create a culture of belonging at Arch (see appendix for example of graphic image). This campaign helped the company reach an additional 150 employees before the end of Q4 totaling 855 completions overall.

In 2023, building on the success of the previous year, a companywide goal of 1,000 completions was set. Employees were encouraged to outperform 2022 completion rates and were incentivized to reach that goal with the Ask Me Anything sessions with the CEO and President. By the end of Q4, 1,017 employees completed the course.

Employees who completed the course also were given access to a Hone membership where they could explore 100+ live, online, collaborative and cohort-based training by Hone. The training courses ranged in topics from coaching, giving feedback, performance management, to strategic thinking and more. In addition, this membership offered access to Hone's masterclasses on topics such as imposter syndrome, psychological safety, how to support your Black colleagues and much more.

Furthermore, employees were motivated to reach course completion goals through the promise of making a charitable donation to an organization selected by employees. In the last few years, Arch donated \$5,000 to Girls Who Code and \$5,000 to The Trevor Project.

Arch donated another \$5,000 to Hope for the Warriors, an organization that provides service members, veterans and their families with comprehensive support focused on transition, health and wellness, peer engagement, and connections to community resources. Giving back is ingrained in Arch's company culture, and employees were eager to support under-resourced communities. This strategy has been effective as it aligns with multiple company priorities (D&I and ESG), offering additional motivation for employees.





## Diversity & Inclusion Teams Channel to Connect and Communicate

The Microsoft Teams channel is a public forum at Arch used to highlight D&I trends, news and relevant information at the company. Arch's D&I channel currently has 1,553 active employees on it. Posts included articles, webinars and workshops around D&I topics (not Hone), polls, industry research, podcasts and more. Post topics included: micro-aggressions, neurodiversity, psychological safety, generations at work, origins of the word Hispanic and more. The D&I Teams channel and regular email campaigns were used to provide updates and keep folks excited about the Hone course and the Everyday Inclusion app. Arch provided regular updates on course completion rates in the channel and, every month, highlighted the Everyday Inclusion app to share the monthly badge topic (i.e., February: Black History Month, March: Women's History Month, June: Pride, November: Indigenous Heritage Month, etc.).

Managers also shared their badges and accomplishments earned on the Everyday Inclusion app. Sharing the badges highlighted their commitment to inclusion and encouraged others who may have been interested in learning more about diversity topics. It set a positive example for other managers and reminded employees who may not be using the app regularly to return and earn badges.

The platform was also to recognize managers who earned the inclusive leader designation from Arch, providing a public forum to celebrate their achievements and provided further encouragement to other managers to dedicate time to fostering inclusion.

Lastly, the platform was used to highlight the leadership stories of employees from diverse backgrounds (i.e., in Career Chat podcasts- podcasts where employees shared their individual winding road career journey and tips), providing greater visibility as well as inspiring other employees with similar identities to continue moving forward in their career/leadership journeys.

## Measurable Benefits

### Public Recognition

To continue to attract and retain the best talent in the industry, Arch Insurance aspires to publicly share the benefits of working for the company. The organization has been awarded and recognized by many public institutions, such as:





- 2023-2024: U.S. News and World Report Best Companies to Work For. This designation tracks a number of factors in the scorecard, with belongingness as one of the key criteria.
- 2021: Best Culture Award. Arch Insurance North America was a proud recipient of the award presented by the Canadian HR technology company, Kudos.
- 2023: Business Intelligence Group's recognition of Arch Insurance's Travel, Accident & Health Unit. This recognition is based on comprehensive evaluations that assess various aspects of employee satisfaction, including workplace culture, employee engagement, benefits, work-life balance, and professional growth opportunities.

"At Arch, we believe our employees are our most valuable asset, and we are committed to providing a supportive and inclusive workplace where they can thrive," Linda Fallon, EVP of Travel, Accident & Health said.

"This prestigious award serves as a testament to our ongoing efforts in creating an exceptional work environment that attracts top talent and enables our team to deliver the best solutions and service to our clients."

## Impact of Learning Sessions

### Completion Rates

With a small L&D team, the Hone course provided Arch a scalable solution to growing adoption of learning, reaching 50% of employee population in 2022 (855 employees) and 53% of employees in 2023 (1,017 employees).

In 2022, to encourage participation, Arch had employees participate in the "I Am Part of It" campaign (see Appendix). This campaign helped the company reach an additional 150 employees before the end of Q4 totaling 855 completions overall.

### Inclusive Leader Badges

Inclusive Leader Badges were awarded to Arch employees who demonstrated a commitment to promoting diversity and inclusion within the organization, supporting a culture of belonging. These employees went above and beyond to create a workplace that not only values and celebrates differences but also encourages active participation in diversity initiatives, ultimately contributing to a more inclusive and welcoming environment for all at Arch.



The recipients led by example, creating an environment where diversity and inclusion was prioritized and embedded into the team culture. Promoting and encouraging the completion of annual D&I course offered by Arch Insurance and/or providing exposure to and encouraging use of the Everyday Inclusion app. These employees made a significant, positive impact on the organization, helping to advance diversity and inclusion goals, and ensuring that those principles are integrated into Arch's culture.

These exemplary employees were recognized with badges that they could promote internally in their profiles and externally (i.e., in LinkedIn profiles).

### Giving Back Engagement and Impact to Communities

Integral to Arch culture is the practice of giving back and supporting organizations that help others in need. There are many programs that Arch supports, such as 1-to-1 matching for donations per employee (up to \$25k annual limit). These programs have proven to be highly regarded and motivational to employees. For this initiative, a series of donations were given over the years. For example,

- \$5,000 donations to the Trevor Project
- \$5,000 donation to Girls Who Code
- \$5,000 donation to Hope for the Warriors

### Use of App Supporting Inclusive Leaders

At Arch the Everyday Inclusion app generated interest and a different way to engage with leaders who preferred this method of learning and community.

In 2022, the app had 259 downloads, 5,546 daily tips viewed, 1,161 content badges earned, 229 items shared, 854 favorited content items. Perhaps more interestingly, the top search terms were: 'stop doing', 'culture of belonging', 'LGBTQ', 'inclusive meetings', 'what is unconscious bias', 'BIPOC', 'non-disabled' and 'idea sharing'. The app was accessed regularly by all levels of employees within Arch Insurance: 114 individual contributors, 69 team leads/managers, 17 directors, 51 VPs and 8 C-level executives.

In 2023, the app had 210 new downloads, 3,467 daily tips viewed, 1,271 content badges earned, 219 items shared, and 419 favorited content items. The top search terms were: 'inclusion', 'disability', 'autism', 'ally', 'mindset',



'intersectionality', 'LGBTQ', 'unconscious bias' and 'BIPOC'. Participation at Arch came from various employee levels similar to the previous year.

## **Overall**

Over the course of a few turbulent years, Arch learned that it is easy for individuals to become distracted with world events or running too fast with business practices. These lessons reminded Arch leaders to become more mindful and intentional when it comes to supporting and promoting the Arch culture. The commitment to fostering a culture of belonging was not just about being a better place to work; it was about setting a new standard for excellence in the insurance industry by shaping the future of how business is done, anchored in the principles of diversity, equity, and inclusion.

Arch's senior leaders also learned what it means to be an ally and how to best encourage and support employees to build a culture of belonging. Many of the executive leaders have spoken publicly with employees about their own journeys and reflections on what their role is within a diverse organization such as Arch. Leaders continue to support creative ideas to advance these efforts, such as offering a day off for World Mental Health Day (Oct 2024) if employees can achieve the goal of 1,000 completions with the D&I learning course.

As the organization continues to grow, the focus and dedication to D&I remain unwavering. As of April 2024, an acquisition has been announced, and Arch will inherit over 500 employees into Arch (25% increase!). The need to ensure all employees understand the Arch focus on belonging is now more critical than ever. There are plans in place to "double-emphasize" the culture of belonging, especially with the new colleagues and other populations that can be supported further (i.e., BIPOC and women in leadership roles).

By embracing every employee's unique contribution, the opportunity to build a stronger, more inclusive company continues. The strength in Arch's culture has led to the reputation of a healthy, stable place to work that many employees enjoy at Arch. It has also contributed to a low turnover in the employee population, with many employees with long tenures (10-20 years).



# About Brandon Hall Group™

With more than 10,000 clients globally and more than 30 years of delivering world-class research and advisory services, Brandon Hall Group™ is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

### Professional Certifications

Self-paced certification programs. Virtual group sessions for companies. In-person conferences and summits.

### Excellence Awards

Three annual programs recognize the best organizations that have successfully deployed programs to achieve measurable results.

### Membership

Individual and Enterprise Membership options: Includes research assets, advisory support, a client success plan and more.

### Advisory Offerings

Custom research projects, including surveys, focus group interviews and organizational needs assessments for transformation, technology selection and strategy.



### ENTERPRISE EXCELLENCE CERTIFICATION PROGRAM

Recognizes the best HCM programs that transform their organization and achieves breakthrough results. This designation is a step above the HCM Excellence Awards® which focuses on one program within a company. Enterprise Excellence is a hybrid of award winners who are also members.

### SMARTCHOICE® PREFERRED PROVIDER PROGRAM

Uniquely places HCM service and technology companies at the top of organizations' consideration list of vendors. It adds an unmatched level of credibility based on BHG's thirty-plus years of experience in evaluating and selecting the best solution providers for leading organizations around the world.

### AGENCY! BY BRANDON HALL GROUP™

Provides comprehensive marketing solutions for human capital management solution providers. We offer strategic services to establish a strong foundation for your marketing efforts.