



2008 ANNUAL REPORT



About the Commission

The Commission on Economic Inclusion, a program of the Greater Cleveland Partnership, is a broad-based coalition of more than 100 Northeast Ohio employers who are committed to making the region's diversity a source of strength. Through its focus on "Jobs & Opportunities, Wealth and Titles," the Commission works to ensure that economic inclusion is integrated into all aspects of the business community's economic development agenda.

2008 Advisory Board

Commission Co-Chairs

Christopher M. Connor
Chairman and CEO
The Sherwin-Williams Company

Brian E. Hall
Chairman and CEO
Industrial Inventory Solutions LLC

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Singleton & Partners, Ltd.

Member Products and Services

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Employee Relations Manager
American Greetings Corporation

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Pediatric Surgeon
Chair, Diversity Council
Cleveland Clinic

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Minority Business Growth

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Greater Cleveland Partnership

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Greater Cleveland Partnership

Shana F. Marbury
General Counsel and Manager,
Inclusion Initiatives
Greater Cleveland Partnership



Dear Friends:

This past year has produced economic challenges on a global scale, and the impact in Northeast Ohio has been felt across all industries including nonprofit and public sectors. Still, the member organizations of the Commission on Economic Inclusion have indicated that advancing economic inclusion remains a high priority.

We are proud to report that Commission-member CEOs remain firmly committed to leading their organizations' efforts to become more inclusive and to help Northeast Ohio become a regional model for economic inclusion. The results of the 2008 *Greater Cleveland Employers Survey on Diversity™*, outlined in this report on pages 7-8, indicate increases in several key areas including: minority representation on boards of directors or management committees; the number of member organizations with workforce and management diversity policies and practices; and in the percentage of organizations having formal supplier diversity programs. It's important to recognize that we remain the only region in the country with such a comprehensive report card.

We're also pleased to note progress in the Commission's efforts to help grow minority business enterprises (MBEs). Our survey found that the regional diversity spend of the 22 member organizations that responded both in 2007 and 2008 increased from \$133 million in 2007 (9.4 percent of total regional spend) to \$172 million in 2008 (11.1 percent of the total regional spend). The aggregate group (all survey participants) spent \$285 million in 2008 with minority businesses, which is 8 percent of its total regional spend. This compares to \$181 million in 2007, which was 5.8 percent of the total regional spend.

A second successful factor in minority business development was the launch of the Minority Business Accelerator 2.5+. We publicly thank the Fund for Our Economic Future for the first-year, \$1 million grant that enabled us to begin this initiative. In its first year, the program completed nine major business deals and generated more than \$9 million in revenue growth for MBEs. Details follow in the Accomplishments section on pages 3-4.

2008 also is the last year of our five-year tenure as Commission co-chairs. We must acknowledge the contributions of our predecessors Alexander (Sandy) Cutler, chairman and CEO of Eaton Corporation, and former Congressman Louis Stokes, who shaped the Commission's early years. Our goal was to build on those successes through an agenda focused on increasing "Jobs and Opportunities, Wealth and Titles," for minority individuals and MBEs. Although much work remains, progress has been made. This includes:

- Our membership has grown from 75 member organization in 2004 to more than 100 in 2009.
- The Diversity Professionals Group, launched in 2004, continues to provide valuable educational and networking opportunities to senior-level diversity and HR professionals.
- The number of organizations reporting supplier diversity data on the annual survey has quadrupled from 15 to 59.
- The Commission's governance structure has been expanded to more than 100 volunteers to sharpen our focus on member development and MBE growth.
- The annual survey analysis has been enhanced to provide members with individual scorecards, year-to-year comparison, and national comparative data.
- Through the MBEAccelerator 2.5+, the structure has been put in place to ensure that both majority companies and MBEs are "ready to do business" with each other.

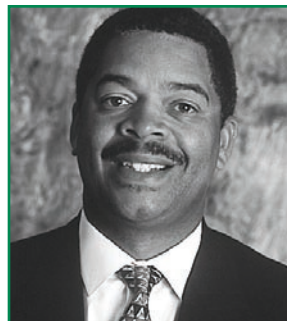
Many thanks to the Commission's leadership and volunteers, our parent organization, the Greater Cleveland Partnership, and others who have provided time and resources to help with this important work over the past five years. We wish the best to our successors, Lyle Ganske, partner-in-charge, Cleveland office, Jones Day, and Kenneth Hardy, president and CEO of Bonnie Speed Logistics™, who will now lead this vital component of the Northeast Ohio economic development agenda.

Sincerely,
Commission Co-Chairs



A handwritten signature in black ink that reads "C.M.C." followed by a long horizontal flourish.

Christopher M. Connor
Chairman and CEO
The Sherwin-Williams Company



A handwritten signature in black ink that reads "B. Hall" in a cursive style.

Brian E. Hall
Chairman and CEO
Industrial Inventory Solutions LLC



Andrew Jackson
Senior Vice President
Greater Cleveland Partnership
Executive Director
Commission on Economic Inclusion

Message from the Executive Director

During 2008, the Commission on Economic Inclusion successfully reconfigured its structure to better serve its members and the minority business community. Our organizational efforts and achievements included increasing Commission membership and enhancing member products and services, securing business opportunities, tools and capital for local minority businesses, and continuing to build relationships between the corporate and minority business communities. All Commission activities are focused on increasing inclusion on the boards of directors and senior management teams, within the workforce and suppliers of local corporations, nonprofit and government organizations.

Accomplishments

Our successes include:

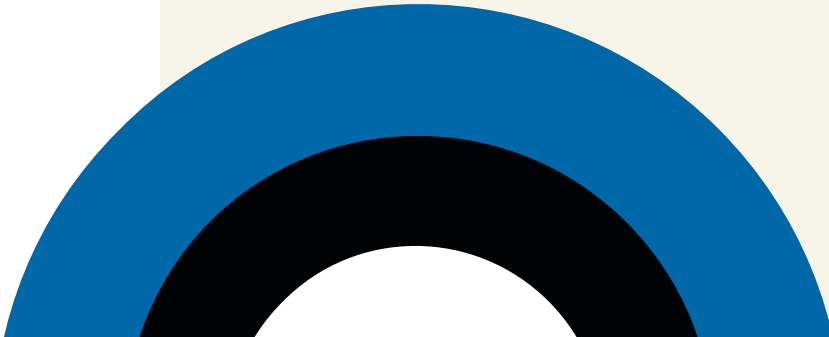
- Adopted a new governance model/Board of Advisors, incorporating a broader base of community leaders
- Increased Board of Advisors from 50 to 100 members
- Established three-year regional inclusion metrics for board, senior management, workforce, and supplier diversity across Northeast Ohio
- Grew Commission membership by 10 percent
- Received \$1 million grant award from the Fund for Our Economic Future to execute management of the Minority Business Accelerator 2.5+ program



- Upgraded the *Greater Cleveland Employers Survey on Diversity™* with additional online capability and more user functionality
- Incorporated the *Diversity Inc* Top 50 benchmark data and best practices into the *Employers Survey on Diversity* and participant scorecards
- Completed the first-year launch for the Minority Business Accelerator 2.5+
- Completed nine major business deals for Minority Business Enterprises (MBEs) in Northeast Ohio
- Generated more than \$9 million in revenue growth for MBEs

- Created or supported 40 full-time jobs through the Minority Business Accelerator 2.5+
- Graduated 14 MBEs from the Bonding Prep program
- Secured \$800,000+ in lines of credit or bonding capacity for MBEs
- Conducted procurement outreach effort, connecting MBEs and Small Business Enterprises to more than \$20 million of business opportunity
- Supported nine MBEs with marketing assistance and development through the Wal-Mart Small Business Enterprise Development grants

- Received national recognition for the Commission's minority business development efforts
- In collaboration with *Northern Ohio Live* magazine, published a diversity supplement on "The Dollars and Sense of Economic inclusion"
- Delivered 12 feature stories on successful MBEs through the monthly Minority Business Accelerator 2.5+ newsletter
- Delivered 12 feature stories on successful corporate member participation through the monthly Minority Business Accelerator 2.5+ newsletter
- Increased the number of visitors to, and views of, the Commission Web site by 5 percent



Events

2008 Annual Meeting

About 225 guests representing Commission member organizations, other Northeast Ohio economic development stakeholders and the Greater Cleveland minority business community attended the Commission's 2008 Annual Meeting held at Corporate College East.

Commission Co-chair Christopher Connor reviewed the Commission's accomplishments, including membership growth, the launch of the Minority Business Accelerator 2.5+, deepening community collaborations to drive inclusion and enhancing support to minority businesses.

Commission Co-chair Brian Hall presented the Commission's first Economic Impact Award to University Hospitals, the City of Cleveland and Cleveland's building trade unions in recognition of their ground-breaking Project Labor Agreement (PLA), which applies to all UH Vision 2010 construction projects totaling more than \$800 million.

Key PLA components include:

- Adoption of City of Cleveland MBE participation goals
- Participation offered to nonunion construction trade employees
- Hiring of a diversity consultant to advise and to monitor compliance
- Ensuring that participating firms are from Northeast Ohio

Diversity Professionals Group

The Commission's Diversity Professionals Group (DPG) is composed of senior-level staff with responsibility for developing and implementing diversity management goals and initiatives within their organizations. In 2008, the group held four forums that provided members with problem-solving strategies and educational programs about workplace diversity and inclusion issues.

The August 2008 program, hosted by Akron Children's Hospital, featured Luke Visconti, partner and co-founder of *Diversity Inc.* magazine, and the Web site diversityinc.com. Other meetings focused on inclusive recruitment, hosted by Thompson Hine LLP; successful strategies of the Commission's Best-in-Class winners, hosted by EMH Regional Healthcare System; and building a diverse leadership team, hosted by the Northeast Ohio Regional Sewer District.

(Left) A networking reception held prior to the Annual Meeting provided attendees with the opportunity to meet keynote speaker Ralph Alvarez (left in photo), president and chief operating officer of McDonald's Corporation. Mr. Alvarez's remarks focused on how diversity has helped drive McDonald's success.

(Bottom Right) Diversity Professionals Group speaker Luke Visconti, a national expert on diversity issues in the workplace, observed that a strong CEO commitment is essential to ensuring that a company's diversity and inclusion values are clarified and consistently followed.



Bonding Prep course

The Commission on Economic Inclusion teamed with the Surety and Fidelity Association of America to offer a six-week Bonding Prep course at Corporate College East. Seventeen construction-related minority business enterprises (MBEs) learned about improving their company's operations and how to make it easier to be bonded or increase bonding capacity. In addition, representatives from project owners University Hospitals, the Greater Cleveland Regional Transit Authority and the Northeast Ohio Regional Sewer District discussed procurement opportunities with their organizations. Each MBE also was matched with an advisor from the Commission's Bonding Prep Advisory Committee and/or the Surety Association of Ohio. One participant secured a \$720,000 bond that enabled his company to win a three-year, \$3.1 million facilities cleaning contract with the Cuyahoga County Public Library.

Vision 2010 Reception

University Hospitals, the Commission on Economic Inclusion and Minority Business Solutions, a consulting firm working with UH to promote diverse participation in the hospital's Vision 2010 construction projects, co-hosted a "meet and greet" reception for Cassandra Johnson, UH's new director of construction. About 80 guests attended the event held at the offices



Among the guests at the Vision 2010 reception (left to right): Dr. Edgar B. Jackson, chair, University Hospitals Diversity Council; guest-of-honor Cassandra Johnson, UH director of construction; Steven Standley, UH senior vice president, system services; Margaret Hewitt, UH vice president, construction; the Commission's executive director, Andrew Jackson; and Arlene Anderson, president, Minority Business Solutions.

of the Greater Cleveland Partnership in the Higbee Building.

Johnson's responsibilities include overseeing the Vision 2010 construction projects that include a new Ireland Cancer Center hospital;

a neonatal intensive care unit at Rainbow Babies & Children's Hospital; a Center for Emergency Medicine; and the Ahuja Medical Center to be built at I-271 and Harvard Road.



The February 2008 Diversity Professionals Group meeting on inclusive recruitment provided networking opportunities with representatives from several minority-focused professional organizations including (right in photo) Majeed G. Makhoul of Taft Stettinius & Hollister LLP, co-chair of the Cleveland Metropolitan Bar Association's Minority Attorney Roundtable.



2008 Greater Cleveland Employers Survey on Diversity™

The Commission's annual *Greater Cleveland Employers Survey on Diversity™* has provided contextual information on the status of economic diversity and inclusion efforts in our region for eight years. The survey serves two purposes: (1) to provide Commission-member organizations with a tool for examining their own diversity and inclusion efforts; and (2) to offer insights about the overall diversity management and inclusion practices of Commission member organizations. This year, for the second year in a row, the Commission collaborated with *DiversityInc* magazine to incorporate national comparative data into the individual scorecards that survey participants will receive in early June 2009 with the full survey report.

This 2008 survey analysis includes data from 96 employers who employ 173,475 individuals in Northeast Ohio and a total of 1,800,939 individuals throughout their operations. Of this group, 55 percent are for-profit companies, 45 percent are nonprofit or government organizations. The selected results below focus primarily on the year-to-year group—the 83 employers who participated in both 2007 and 2008. Data comparing the aggregate 2008 participant group to the 2007 aggregate group also is noted.

I. Board and Senior Management Diversity

Comparison of 2008 survey results to those in 2007 presents a picture of mostly positive change on organizational leadership measures. For the year-to-year group board minority representation increased for the total, for profit, and nonprofit/government respondents across all measures. In this group, minority board representation rose from 16.9 percent in 2007 to 18.8 percent in 2008. Within the year-to-year group, the percentage of minority board members among for-profit respondents rose slightly from 11.1 to 11.9 percent. For nonprofit and government members, the percentage grew from 18.7 percent (2007) to 20.5 percent (2008). The percentage of minority individuals on boards for the 2008 aggregate survey group was 17.9 percent in 2008, down from 18.2 percent in 2007.

Minority representation on senior management remained virtually unchanged between the two reporting years for the year-to-year group. This group experienced a slight increase in minority representation, from 11.9 percent to 12.1 percent, incorporating a minor decrease for the for-profit group (from 10.7 percent to 10.4 percent) and a larger increase for the nonprofit/government sectors (from 13.7 percent to 14.6 percent). For the aggregate group, minority representation was reported at 13.8 percent for 2008, up from 10 percent in 2007.

II. Diversity and Inclusion Policies and Practices

Implementing policies and practices facilitates meaningful change in workplace diversity and inclusion. Monitoring the incidence of such steps taken by the year-to-year comparison group of organizations enables us to assess change. The number of organizations in the year-to-year group that included diversity management goals and objectives in their business or strategic plan increased from 65 percent in 2007 to 71 percent in 2008 (from 50 to 55 of 77 organizations). Seventy percent of the 2008 aggregate group reported including such goals. Similar improvement was noted among organizations whose board or governing committee had a written statement or policy on diversity and inclusion. For the year-to-year group, the number rose slightly from 40 percent to 42 percent, an increase from 30 to 31 organizations (out of 74 in total). In the aggregate group, 36 of 88 organizations, 41 percent had a board policy or statement. However, the number of organizations holding managers accountable through performance appraisals and/or incentives for demonstrated success in managing diversity decreased for the year-to-year group from 58 percent to 56 percent (from 47 to 45 out of 81 organizations). Fifty-one percent of the aggregate group (48 of 94) reported holding managers accountable in this area.



III. Supplier Diversity

The preliminary survey results related to this critical aspect of diversity present a mixed picture. In the year-to-year comparison of participating organizations, there was a large increase in those having a formal supplier diversity program, from 30 percent to 45 percent (from 23 of 76 organizations to 34 of 76 organizations). Forty-four percent of the aggregate group (40 of 90 organizations) reported having a formal program. The percentage of the year-to-year group that tracks minority spend stayed flat at 67 percent (40 of 60 organizations in both years). This percentage was mirrored in both for-profit and nonprofit/government subgroups. Fifty-nine percent of the aggregate group (46 of 78 organizations) reported tracking minority spend.

The total number of organizations that reported minority-spend data on the survey, at the regional and/or national level declined from 63 employers in 2007 to 59 organizations in 2008. (Note: These numbers include all survey participants that provided minority spend at the total and/or regional levels).

Total minority spend: The national minority spend by the 37 organizations in the year-to-year group decreased slightly from \$1.01 billion (5.2 percent of \$19.5 billion total spend) in 2007 to \$966 million (4.6 percent of \$21.7 billion total spend) in 2008. This is a small drop in dollars—approximately \$14 million out of more than \$21 billion in total spend. In the aggregate group, the total minority spend dropped from \$2.4 billion (by 59 respondents) in 2007 to \$1.24 billion (by 55 organizations) in 2008. One company with an extremely large minority spend in 2007 did not report its spend in 2008. This omission likely accounted for a significant portion of this decrease.

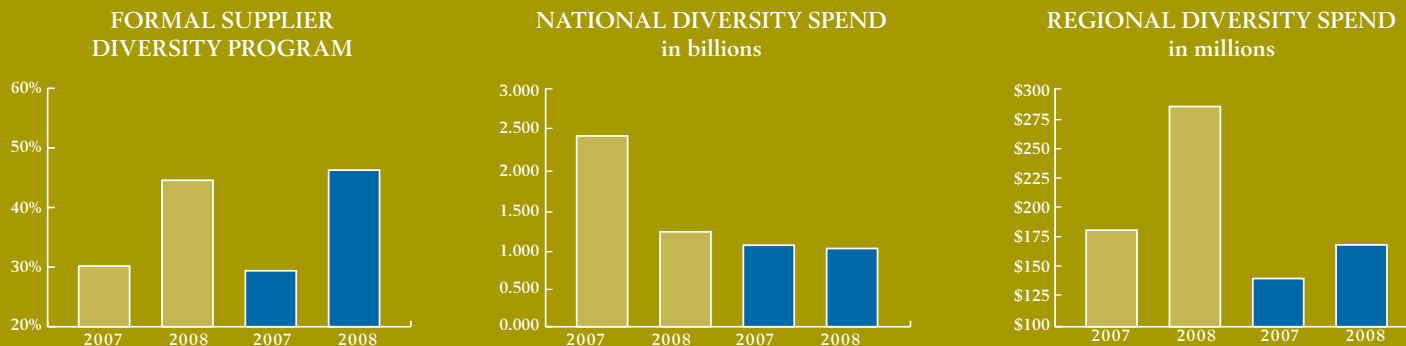
Regional minority spend: The regional diversity spend reported by the 22 employers in the year-to-year group increased from \$133 million in 2007 (9.4 percent of total regional spend) to \$172 million in 2008 (11.1 percent of the total regional spend). In a comparison of the aggregate groups for the past two years, the 42 organizations in the 2007 aggregate group spent \$181 million with minority suppliers in the region. This rose for the 2008 aggregate group, in which 44 employers reported \$285 million spent with Northeast Ohio minority suppliers.

Analysis: Total dollars expended with minority businesses by the year-to-year group of survey participants declined slightly—by \$14 million out of the total spend of \$1 billion. However, because the total expenditures of the reporting organizations grew, the national percentage spent with the minority businesses dropped by .6 percent. A more positive trend occurred within our region: Both the actual dollars expended and the proportion of total expenditures spent with minority vendors by the year-to-year group increased.

Conclusion

This 2008 annual survey analysis indicates primarily small, but positive changes in metrics when evaluating those survey participants which reported in both years. This year-to-year comparison is a better indicator of any real movement on a metric and the changes this year were positive on all but one major indicator. Minority representation increased at the board level. There were increases in the incidence of workforce and management diversity policies and practices and in the number of organizations that have formal supplier diversity programs.

For senior management, the minority percentage remained relatively unchanged when comparing the two years with a .2 percent increase. At the national level, the percentage of minority spend fell by half a percentage point. However, at the regional level, minority spend increased in actual dollars and as a percentage of all reported expenditures. The Commission survey report will provide more detail on these trends when released later in May 2009. The Commission will continue to track and report on the four inclusion metrics throughout the year and provide tools and resources to assist its members to build the desired inclusive culture. Two such resources are the Minority Business Accelerator 2.5+ and a Web-based best practices repository for members.





“Kaiser Permanente values and celebrates differences among our employees, leadership, vendors, and those we serve. We recognize that effective diversity management is not only a key business strategy, it is integral to respecting people and inspiring them to perform to their highest ability. Recruiting and retaining a diverse workforce and a diverse supplier base contribute to our own growth and vitality, and enhance our efforts to provide culturally competent medical care to our increasingly diverse membership.”

Board Diversity

Kaiser Permanente’s commitment to diversity and inclusion permeates the entire organization and starts at the top. Fifty percent of Kaiser Permanente’s Board of Directors are minority individuals (seven of 14 people). This significantly exceeds the Commission’s nonprofit and government membership minority board average of 20.5 percent.

Kaiser Permanente’s high level of board diversity is sustained through strong policies, procedures, and an overall corporate culture that signals the value of diversity and inclusion to Kaiser members, employees, board directors, and the public. The organization’s board orientation and training process, employee policies, recruitment strategies, and internal and external communications all reflect the value of diversity as it relates to member service and culturally competent patient care. *The Diversity Best Practices* organization stated that Kaiser Permanente represented the “next generation [of] diversity governance and trend-setting advocacy.” Effective strategies include:

- Linking the board’s diversity goals to Kaiser Permanente’s overall strategic plan via the National Diversity Agenda. The agenda is a tangible demonstration of Kaiser Permanente’s commitment to the cornerstones of culturally-competent quality care, diverse membership growth, and an inclusive, high-performing workforce – each of which are central components of the strategic plan.
- Consistently keeping diversity and culturally competent care at the forefront. Two key standing board committees that support diversity issues are:
 - The Quality and Health Improvement Committee supports initiatives aimed at improving culturally competent care and linguistic programs that provide foreign language resources for communicating with Kaiser Permanente members.
 - The Community Benefit Committee approves grants and donations that support research and education initiatives focused on diversity issues. This committee also participates in the selection of the annual David Lawrence Community Service Award. This award recognizes Kaiser Permanente employees who volunteer in their communities and have developed successful community programs that serve the uninsured and diverse populations.
- Ensuring that all new board members receive an orientation on diversity goals and that the Governance, Accountability and Nominating Committee reviews diversity goals annually. Additionally, Board members are encouraged to participate in the annual Kaiser Permanente Diversity Conference. This event features national diversity experts and thought leaders from inside and outside of the organization presenting on topics related to diversity and culturally competent care.



Patricia D. Kennedy-Scott
President
Kaiser Foundation
Health Plan of Ohio



Commission on Economic Inclusion

BEST in Class



BEST in Class Nonprofit

Supplier Diversity

Cleveland Clinic is committed to being a diverse and inclusive organization. Considerable resources have been dedicated to building successful relationships with Northeast Ohio minority-owned businesses (MBEs). Through policies, practices and clear staff accountability, Cleveland Clinic has demonstrated progress and success in the supplier diversity arena. Expenditures with minority vendors comprised 7.5 percent (\$42 million of \$559 million) of its national expenditures and 8.8 percent (\$26 million of \$295 million) of its regional spend. The respective national and regional averages for nonprofit and government participants in the 2008 *Employers Survey on Diversity™* were 5.8 percent and 7.8 percent. Effective strategies include:

- The Clinic contributes to broad-based growth of minority-owned firms by leveraging MBEs that are ready in scope and scale to do business with the Clinic and MBEs that can grow to be larger vendors for the organization with mentoring and development. Cleveland Clinic uses internal programs, such as construction mentoring projects and training and development projects, and external resources such as those provided by the Commission on Economic Inclusion and its Minority Business Accelerator 2.5+ initiative, to achieve MBE growth.
- Staff attends multiple minority business events each year to meet qualified new businesses and connect them directly with appropriate decision makers at the Clinic.
- Cleveland Clinic holds two to three internal matchmakers per year to connect MBEs from a specific target spend area to supply chain managers and department staff looking for new vendors. The Clinic maintains an internal list of MBEs and requests specific lists of MBEs from area organizations for a specific opportunity.
- Two to three minority businesses are chosen annually for mentoring projects in the Division of Construction and Facilities. The mentees work with general contractors and receive ongoing feedback. Frequent updates are provided to the Office of Diversity to enhance relationship-building.
- The supply chain department provides assistance to minority vendors when needed during the bidding process and after a lost bid to increase the probability of success on the next opportunity.
- Request for Proposals (RFPs) and contracts have mandatory requirements for Tier 2 reporting. In construction, specific Tier 2 requirements include workforce goals and vendor goals. All major vendors are required to report Tier 2 spend.



“We are honored to be recognized for our efforts to increase opportunities for Cleveland’s many suppliers. Each year we have set increasingly aggressive goals and expanded programming for local, minority and female vendors. By accepting this award, we maintain our commitment to the health and economic well-being of the this community.”



Delos “Toby” Cosgrove, M.D.
President and CEO
Cleveland Clinic



Cuyahoga Community College



“Cuyahoga Community College recognizes that incorporating diversity throughout the organization represents an investment in the community-at-large and that this investment starts at the top. The senior leaders of the college comprise a diverse and inclusive team ensuring that students, faculty, administrators and all community stakeholders have the opportunity to make the most of what the college has to offer.”

Senior Management Diversity

Cuyahoga Community College serves as a model regionally and beyond for its commitment to higher education and for bringing value to its students and Northeast Ohio. The college consistently demonstrates this commitment, including building a strong and diverse senior management team to mirror the communities it serves. Twenty-six percent of Tri-C’s leadership team (six of 23 individuals) are minority individuals compared to an average of 16.6 percent for all nonprofit and government survey participants and 14 percent for all survey participants. In addition, minority individuals compose 23 percent of Tri-C’s non-senior managers. Effective strategies include:

- Annual internal diversity audits and bi-monthly workforce demographic audits are conducted with results reported to senior management.
- Four operation units (two of Tri-C’s campuses, the Workforce and Economic Development Division, and the college itself) are run by minority senior managers.
- Tri-C ensures senior management diversity through aggressive recruitment efforts both nationally and locally. The college has specifically budgeted targeted funds for diversity recruitment. This budget has increased by 100 percent over the previous year. Minority senior managers provide networking affiliations for recruitment sources and participate in the diversity recruitment strategic plan.
- Minority senior managers serve on the college’s diversity recruitment committee that includes two college diversity affinity groups (the Hispanic Council and the Black Caucus). These managers present at, and participate in, recruiting events.
- Outstanding minority talent is groomed for promotion by targeting them for participation in major college-wide initiatives, projects and interim assignments. These activities allow minority staff to visibly demonstrate their leadership capacity and management ability. Development projects, mentoring, executive coaching, and professional development workshops and conferences also are utilized.
- Tri-C utilizes career pathing for its minority senior managers to ensure opportunities for advancement within the organization. The college recruits outstanding minority talent to participate in the college’s leadership development program.
- Senior managers are empowered to identify and address obstacles to inclusion through surveys, internal training and targeted recruitment of minority candidates.



Dr. Jerry Sue Thornton
President
Cuyahoga Community College



Commission on Economic Inclusion

BEST in Class

BEST in Class Nonprofit

Workforce Diversity

The MetroHealth System serves a diverse population in its provision of critical care, rehabilitation, community and senior health services. Its commitment to diversity is also reflected in its workforce. Thirty-one percent of MetroHealth's workforce is composed of minority individuals, compared to an average of 26.6 percent for all nonprofit and government 2008 *Employers Survey on Diversity*™ participants. In addition, minority individuals comprise 39.1 percent of the hospital's new hires, 36 percent of its full-time employees, and 22 percent of its non-senior managers in 2008. Effective strategies include:

- To increase retention and promotion of minority employees, MetroHealth's Employee Mentoring program provides greater perspective and an intense development experience through pairings with senior managers.
- MetroHealth's Diversity Advisory Council, chaired by the hospital's president and CEO, is comprised of a select group of public health experts. The mission of the Council is to help MetroHealth identify best practices to increase its workforce diversity and cultural competence.
- MetroHealth's Diversity Action Committee, chaired by the hospital's director of diversity, is composed of employees who are in positions of influence and credibility and who represent diversity across The MetroHealth System.
- The HR-Recruitment Task Force identifies additional outreach efforts to increase the pool of minority candidates for physicians, nurses and management openings. MetroHealth has also worked with minority search firms to identify top talent for senior management positions.
- MetroHealth utilizes ethnicity and organizational audits throughout the year to monitor the effectiveness of diversity activities and to target areas of under representation. Data collected include minority hiring, promotions and terminations. Audit results are reported to the Board of Trustees and senior management.
- MetroHealth has enjoyed a successful partnership with INROADS, an organization dedicated to placing talented minority youth in business and industry internships, and has placed interns in the departments of finance and nursing for three years.



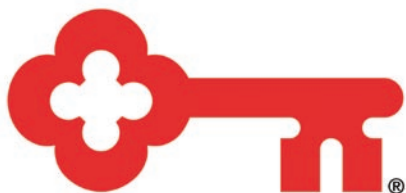
“MetroHealth recognizes the importance of a diverse workforce in the delivery of the highest quality care to people of different cultures, beliefs and behaviors. We are executing our vision to be a regional and national leader in the provision of public health and in the design of programs that strengthen a culturally diverse workforce that meets the needs of a diverse community. We recognize diversity and cultural competency as a competitive advantage and a source of success and pride.”



Mark Moran
President and CEO
The MetroHealth System



BEST in Class For Profit



“Despite the current economic downturn, diversity at Key continues to be aligned with our overall corporate strategy. We fundamentally believe that inclusion in our workplace, supplier base, and community outreach, is every Key employee’s responsibility. This core value helps us create sustainable relationships. Relationships that support our reinvestment in the community and support our attempt to create an inclusive and collaborative environment that helps our businesses and communities grow and prosper.”

Board Diversity

After winning the Commission on Economic Inclusion’s Best-in-Class Board Diversity award multiple times, KeyCorp continues to demonstrate its commitment to diversity in this area. As the global economy diversifies, Key realizes that diversity in the board room leads to greater creativity, more vigorous deliberation, and more integrity of process. Key believes that these outcomes foster principles of good corporate governance that help enhance shareholder value. Currently, minorities represent 30.7 percent of Key’s Board of Directors. The average among for-profit participants in the 2008 *Employers Survey on Diversity*TM was 11.9 percent. Effective strategies include:

- Key’s Director Recruitment Guidelines provide that there will be a preference for nominees that improve the diversity of the 13-member board in terms of race, gender, religion and other characteristics. Diversity competency is a selection criterion for board seats.
- Diversity is infused into Key’s strategic plan through diversity management goals and objectives, including diversity scorecards at the senior management levels, HR diversity workforce metrics and business plans for all lines of business, and executive compensation tied to diversity.
- The commitment of the KeyCorp board to recruiting diverse directors is publicly available, including via annual proxy statements.
- KeyCorp’s diversity senior executives report on a semi-annual basis to the board on the state of diversity in the organization, which includes benchmarking efforts, line of business workforce metrics and organizational trend analysis.
- The diversity statement endorsed by KeyCorp’s board is communicated by the CEO internally to employees via KeyNet, the organization’s intranet platform, and externally to the public via Key.com.



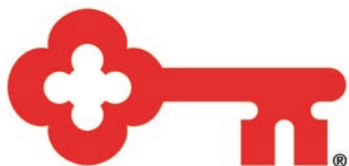
Henry L. Meyer III
Chairman and CEO
KeyCorp



Commission on Economic Inclusion

2008 **BEST in Class**





Supplier Diversity

Supplier diversity continues to be a strategic part of KeyCorp's overall corporate strategy. In 2001, Key formalized its inclusion business strategy, seamlessly integrating supplier diversity into its entire procurement process and every line of business. This dedication has resulted in Key's 2008 national spend of \$85 million with minority suppliers and \$24 million with minority suppliers in Northeast Ohio. This is the second consecutive year that Key has won this award. Effective strategies include:

- Key tracks metrics supporting the success of its supplier diversity strategy, including:
 - Diversity as percentage of total spend and total revenue;
 - Number of diverse suppliers and their revenue growth;
 - Diverse-supplier-development metrics; and
 - Recognitions received for supplier-diversity success from outside organizations.
- The supplier diversity team attends Corporate Sourcing and Line of Business meetings to receive information on upcoming business opportunities, existing supplier relationships and information necessary to offer constructive feedback to Key suppliers. Attendance at supplier business presentations and contract reviews offers additional opportunities to provide feedback and support.
- CEO Henry Meyer has supplier diversity on his Corporate Scorecard, which is reviewed annually by the Board of Directors.
- Key has developed an internal Capacity Building subcommittee with the goal of collectively building capacity within minority- and women-owned businesses (M/WBEs) across Key's footprint through providing business resources and opportunities.
- Key has developed a Supplier Diversity Advisory Council (SDAC) composed of KeyBank senior leadership. The SDAC meets quarterly to:
 - Ensure that Key's inclusion strategy receives attention, guidance, and encouragement from senior executives;
 - Serve as advocates and liaisons identifying barriers to supplier diversity execution, and ensuring the success of program initiatives;
 - Share supplier diversity best practices;
 - Champion and assist M/WBEs in navigating Key while gaining access to potential business opportunities; and
 - Increase business capacity and opportunities for M/WBE companies within each Line of Business.
- Key has a Tier II SDAC sub-committee focused solely on Tier II spending and reporting. Second tier language is incorporated into each applicable contract. As part of Key's 2008 Integrated Branch Strategy, majority construction suppliers were encouraged to accept a 20 percent M/WBE goal (30 percent stretch).

BEST in Class For Profit

Senior Management Diversity

Eaton Corporation continues to exemplify inclusive senior management as a repeat Best in Class winner. Direct reports to Eaton's CEO consist of 25 percent minority individuals. Eleven and one-half percent of those reporting to senior leadership one level below the CEO are minority individuals. This level of diversity is maintained through the provision of tools, support and training to create an inclusive environment for senior managers and others. Effective strategies include:

- To drive accountability, senior leaders are measured on how well they drive and sustain diversity within their organizations.
- Senior leaders “own” diversity efforts within their areas and they are empowered to create strategies to promote diversity within Eaton. Diversity councils established by senior leaders both at the top of their organizations and at each of their facilities in two Eaton product groups continue to be effective. The councils are responsible for providing diversity and inclusion training, holding events to highlight special topics, and sharing best practices with each other.
- During the annual succession planning process, high potential talent, including minorities, are identified and leadership discusses the individuals' career advancement potential and their development needs. Individualized development plans are created to ensure that top talent receive the training, experiences and mentoring needed to further their growth.
- With a heightened awareness to career growth opportunities for minorities and females, internal top talent is considered against current and projected job openings, as a part of Eaton's ongoing senior leadership Talent Reviews.
- Eaton uses several mechanisms for identifying and removing obstacles and barriers to inclusion such as:
 - An Ethics Hot Line, a toll-free, 24/7 confidential phone line where employees can report unethical behavior in all aspects of Eaton operations;
 - An Ombuds Program, which provides employees with an objective third party to air concerns and options for addressing them; and
 - An annual Employee Engagement Survey, where employees confidentially provide opinions on many employee relations dimensions, including diversity. All senior managers are responsible for reviewing and responding to these survey results, as well as engaging employees in developing solutions to any challenges identified.



“Diversity and inclusion are two of the important pillars to our global talent strategy. Great talent is not defined by race, religion, sex or nationality. At Eaton, we want the best talent and are committed to insuring our culture is inclusive and attractive to the best talent.”



Alexander M. Cutler
Chairman and CEO
Eaton Corporation



Commission on Economic Inclusion

BEST in Class

BEST in Class For Profit



“Diversity and inclusion are part of the fabric of Time Warner Cable. It’s a commitment and an attitude impacting the way we involve, understand and meet the needs of our employees, customers and communities. An open environment blends the experiences, cultures, influences, languages and perspectives of our employees and customers into everyday business practices. It is the framework that helps us compete in today’s multicultural marketplace.”

Workforce Diversity

Time Warner Cable (TWC) of Northeast Ohio continues its strong commitment to maintaining diversity in its workforce, its supply chain and in its community involvement. This is the third consecutive year that the company has won this award. Thirty-two percent of TWC’s regional employees are minority individuals compared to the 21.8 percent average among for-profit participants in the 2008 *Employers Survey on Diversity*™. In addition, 39 percent of the company’s new hires were minority individuals (up from 34 percent in 2007), 24 percent of its non-senior managers (up from 23 percent in 2007), and 32 percent of its full-time employees were minority individuals (as in 2007). Effective strategies include:

- Each manager has diversity goals with monetary rewards tied to achievement. Goal achievement is supported through Equal Employment Opportunity management training and recruiters focused on ensuring a strong supply of minority applicants. Results of TWC’s semi-annual diversity audit are evaluated against business plan goals and objectives and shared with managers.
- TWC of Northeast Ohio’s cross-functional diversity council, including management and nonexempt employees, is responsible for accomplishing measurable diversity impact for the division. A joint meeting for all divisional councils is held five times a year to review advances, best practices and forecasts in diversity and inclusion. The council also sponsors a mentoring program for new hires.
- The company uses nontraditional sources of applicants and candidates and fosters close active relationships with these sources through ongoing communication, luncheons and meetings. Sources include minority vendors, specialized staffing agencies, and community organizations in every county that TWC of Northeast Ohio serves. Monetary rewards are also given for employee referrals of diverse candidates.
- Outcome data is tracked on recruitment activities, including those at minority colleges, job fairs, and through minority publications. In 2008, 20 percent of the total new hires came from these sources. The company also has aggressively recruited minority applicants for its summer internships with opportunities for permanent positions.
- TWC of Northeast Ohio’s diversity policy is clearly worded, comprehensive and posted on both its Web site home page and on its Intranet.



Stephen R. Fry
President
Time Warner Cable of Northeast
Ohio

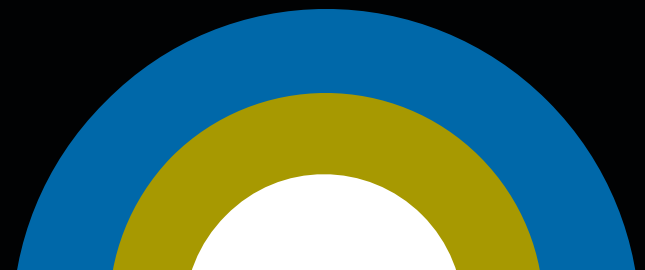


2008 Member Organizations

Akron Children's Hospital
Akron General Medical Center
American Greetings Corporation
American Red Cross, Greater Cleveland Chapter
Baker & Hostetler LLP
Baldwin-Wallace College
Benesch Friedlander Coplan & Aronoff LLP
Bonnie Speed Logistics™
Buckley King LPA
Calfee, Halter & Griswold LLP
Case Western Reserve University
Cavaliers Holdings LLC
City of Cleveland
Cleveland Clinic
The Cleveland Foundation
Cleveland Indians Baseball Club, Inc.
Cleveland Metropolitan School District
The Cleveland Museum of Art
The Cleveland Orchestra (Musical Arts Association)
The Cleveland Play House
Cleveland Public Library
Cleveland State University
Coleman Spohn Corporation
Cuyahoga Community College
Cuyahoga County Board of Commissioners
Cuyahoga County Public Library
Developers Diversified Realty, Inc.
The Diversity Center of Northeast Ohio
Dix & Eaton, Inc.
Doan Pyramid Electric LLC
Dominion East Ohio
Eaton Corporation
Edward Howard
EMH Regional Healthcare System
Energizer Global Technology Center
Ernst & Young LLP

Federal Reserve Bank of Cleveland
Fifth Third Bank, Northeastern Ohio
FirstEnergy Corp.
FirstMerit Bank, Cleveland Region
Forest City Enterprises, Inc.
Frantz Ward LLP
Goodyear Tire & Rubber Company
Great Lakes Science Center
Great Lakes Theater Company
Greater Cleveland Partnership
Greater Cleveland Regional Transit Authority
The Albert M. Higley Construction Company
Hiram College
Huntington National Bank
Industrial Transport, Inc.
InfoCision Management Company
Invacare Corporation
John Carroll University
Jones Day
Kaiser Foundation Health Plan of Ohio
KeyCorp
Lake Hospital System
Lakeland Community College
LifeBanc
The Lubrizol Corporation
Marcus Thomas LLC
Marous Brothers Construction
Medical Mutual of Ohio
The MetroHealth System
Museum of Contemporary Art Cleveland
Myers Industries, Inc.
NASA Glenn Research Center
National City Corporation
Nordson Corporation
Northeast Ohio Regional Sewer District
Olympic Steel, Inc.

Ozanne Construction Company
Parker Hannifin Corporation
Playhouse Square Foundation
Porter Wright Morris & Arthur LLP
Roadway Express
Rock and Roll Hall of Fame and Museum
RPM International (DayGlo Color Corp, and Tremco)
The Sherwin-Williams Company
ShoreBank, Cleveland Region
Spero-Smith Investment Advisers, Inc.
Squire, Sanders & Dempsey LLP
St. Vincent Charity Hospital
Summa Health System
Taft Stettinius & Hollister LLP
Thompson Hine LLP
Time Warner Cable, Northeast Ohio
TLC Springwater LLC
U.S. Bank
Ulmer & Berne LLP
United Church of Christ
United Way of Greater Cleveland
University Circle, Inc.
University Hospitals
The University of Akron
Vertex Computer Systems
Wal-Mart Region #198
WEWS NewsChannel 5
WVIZ/PBS and 90.3 WCPN ideastream
YWCA of Greater Cleveland
ZIN Technologies, Inc.



Looking Ahead

“Collaboration for Inclusion”

This past year has produced some of the most difficult economic times experienced in decades. Despite these challenges, economic inclusion continues to be a top priority for our community.

Key messages for 2009

1. During the Commission's CEO Breakfast Briefing in February 2009, the Commission received affirmation from the leading CEOs in our region that inclusion would remain a top priority.
2. In October 2008, Commission volunteer leadership established regional metrics for Northeast Ohio so that progress in increasing inclusion on boards of directors, among senior management, in the workforce, and in supplier diversity spend, can be measured and communicated.
3. Minority Business Enterprises (MBEs) are gaining traction in terms of business opportunity, business growth, and job creation.

Going forward

Many stakeholders in the community have a vested interest in the economic recovery including the business community, foundations, government agencies, community development and economic development organizations. As with other economic downturns, these tough times will pass.

While we are on the “road to recovery,” we will need to learn to “do more with less.” To that end, the Commission will play an active role in driving more collaboration among organizations focused on economic inclusion.

- The need: We are all seeking time, money, and other resources from our community funders and approaching the same funding sources. Those sources are quickly becoming diminished. We all have a set of constituents we are trying to serve, and many of us are serving the same pool of constituents.
- A solution: To maximize our impact, operate more effectively, eliminate overlaps and redundancies, reduce funding requirements, eliminate confusion and grow our communities, we must begin to “Collaborate for Inclusion.” We can achieve more together than we can working separately.





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