This paper examines the association of an organization’s diversity practices with employee engagement and explores whether a trusting climate will provide a mechanism through which diversity practices can increase employees’ sense of engagement at work.

Policies and practices that make up an organization’s diversity practices act as a signal of its commitment to support employees from all backgrounds. The findings indicate diversity practices are associated with a trusting climate that, in turn, is positively related to employee engagement, which is a vital to overall workplace well-being.

Organizational diversity practices are directly related with the engagement of all employees at work. A trusting climate provides an underlying mechanism through which diversity practices can have its positive effects on engagement. Employees who have more opportunities for contact & interaction with colleagues have perceptions of high levels of inclusion thus increasing perceptions of a trusting climate at work. Employees’ positive perceptions of diversity practices will be positively related to a trusting climate only when employees perceive high levels of inclusion. Employee well-being is improved rather than impaired by perceptions of diversity practices.

The payoffs of diversity practices can be significant for both employees and organizations. In a trusting climate, diversity and inclusionary practices go beyond equal opportunity employment practices and traditional recruitment and retention of individuals from minority groups, to promoting inclusion at higher levels, and increasing engagement and well-being of all employees.