

How do companies benefit from Employee Resource Groups?

In order to have a positive impact on the company and its business practices, an ERG aligns its goals with the objectives, values and mission of the company. ERGs leverage employee knowledge, engagement and support to help meet the company's business objectives including:

Retention: Employees who belong to an ERG have increased feelings of loyalty, commitment and engagement. ERGs work to make the workplace more inclusive so that diverse groups of employees feel accepted and supported in their jobs.

Recruitment: Having an ERG is a great way to show potential employees that a company is working towards a diverse and inclusive workforce. In addition, ERG members work with company recruiters to attract diverse candidates from untapped talent pools.

Product Development: ERG members use their cultural insight to provide ideas and feedback

on how to make products and services geared towards their population. ERGs help a company expand its consumer base through community outreach and promoting awareness around specific populations.

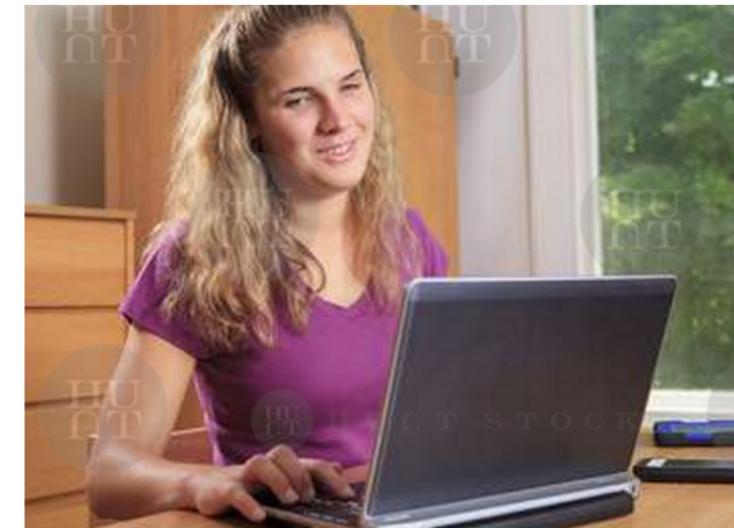
Identifying and Developing Talent: ERGs work with talent management to identify employees who are "high potentials" but who have not yet been identified by the company. The ERG can provide these "high potentials" with leadership positions within the ERG, which can help prepare them to be future leaders of the company. ERGs also help train employees in leadership and cultural competency, which provides them with the opportunity to explore new areas and take on additional responsibility.

Onboarding: ERG members help with onboarding by telling new members about the range of ERGs that exist within the company. They also connect new employees with ERG members in order to create relationships and mentoring opportunities.

Examples of what Disability ERGs are doing at companies in the United States:

- Best Buy's Facing Autism in a Caring Environment (FACE) worked with the Autism Society of Minnesota to develop e-learning software to train employees on how to interact with colleagues and customers who are on the Autism Spectrum.
- Members of Ford's Employees Dealing with disAbilities (FEDA) attend college career fairs with company recruiters to connect with diverse candidates.
- KPMG's Disabilities Network trains recruiters to increase confidence when hiring individuals with disabilities.
- Microsoft's disAbility Resource Group serves as a focus group to test the accessibility of products.
- EMC's Disability Employee Resource Group (DERG) collaborated with an outside agency to start a job program.

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What is an Employee Resource Group?

An Employee Resource Group (ERG) is formed within a company by employees who share a common interest, characteristic or lived experience such as gender, race, ethnicity, sexual orientation, military status or disability. The purpose of an ERG is to serve as a resource for both employees and the company by providing activities, information and awareness around promoting inclusion and diversity in the workplace. A key aspect of an ERG is to set and work towards goals that align with the company's mission, values and business objectives.



How do members benefit from Employee Resource Groups?

An ERG brings awareness to a group of people that are usually a minority in the workplace. It provides a platform for members to share their unique perspective with senior management in order to foster a workplace that is inclusive and promotes diversity. ERGs also serve as a great resource for employees' personal and professional development. For example, members have the chance to take on informal leadership roles and participate in training where they can gain new areas of knowledge, which may provide the chance for management to identify them as "high potentials".

Disability Employee Resource Groups

Disability ERGs are the fourth most common type of ERG and a great way to promote diversity and inclusion within a company. This type of ERG is usually cross-disability versus being focused on a specific type of disability. Members use their perspective and first-hand knowledge to educate others about disability etiquette, accessibility and accommodations. They also serve as a focus group for making products accessible and attractive to customers with disabilities. Members of Disability ERGs also help recruit and retain candidates with disabilities, serve as mentors to other employees with disabilities, and provide employees and the company with information and resources.

Seven Steps to Starting an Employee Resource Group

1. Create Partnerships with Other ERGs within the Company

Sitting in on an established ERG meeting is a good way to observe how the meeting is structured, what the agenda is like, and how its leadership works. It is also a great opportunity to meet with another ERG's executive sponsors, leaders and members to share ideas, receive feedback and build relationships.

Questions to ask representatives from other ERGs:

- How was the group started?
- How did the group gain executive support?
- What steps were taken to get approval?
- What obstacles did the group encounter during its development?
- When are meetings held?
- What is the structure of the group's meetings?
- What does a typical meeting agenda look like?

2. Get an Executive Sponsor

In order for an ERG to be successful, it is important to gain the support of an executive sponsor within the company. An executive sponsor is a top-level executive who champions the ERG, and is the group's connection to top management. At some companies, the ERG chooses the executive sponsor; at others, the company assigns the executive sponsor.

The executive sponsor provides the ERG with strategic direction to help it align with the company's business strategy, and helps the group identify measurable benchmarks that support the company's business goals. The executive sponsor provides the ERG with access to his or her own network, and

serves as a bridge between the group and the executive team. The executive sponsor also provides support to the ERG through communication and visibility, and accepts accountability for the group. The executive sponsor often serves as a source of funding for the ERG.

3. Appoint or Elect Leaders

Leaders of the ERG can be appointed by the executive sponsor or elected by the group. Regardless of who makes this decision, it is important that leadership is clearly defined for group members. Employees who are talented but have not yet been identified as "high potentials" are great employees to select for leadership positions within an ERG. In addition, individuals who have expressed interest in the issues of the group, and those who run similar groups outside of the workplace are also good choices.

It is important to change the leadership of the ERG periodically to create opportunities for different members to take on leadership roles. New leadership brings new ideas and perspectives to the table. The process by which new ERG leaders are elected is decided by the group. An ERG may want to model how they elect new leaders after what other ERGs within the company are doing. For example, some ERGs hold elections every one or two years, while other ERGs have staggered leadership terms that allow exiting leaders to mentor new leaders before the end of their term.

4. Get Employees Involved

For an ERG to be successful, it is important for the group to engage the employee population. One way that ERGs engage employees, as well as candidates is through actively marketing the group in employee communications, through emails, on bulletin

boards, and at career fairs. When marketing the group it is important for the ERG to make it clear that the group has support from top leadership. It is also important to promote that the ERG is inclusive of all employees, not just those employees that are a part of its core demographic. Another way to attract members to the ERG is by holding a variety of different events that meet the needs and expectations of potential members and groups. Examples of events that can be used to attract new members are:

- Professional development/classroom events
- Speaker engagements
- Networking opportunities
- Cultural events
- Mentoring opportunities

Making meetings convenient for hourly and remote workers by scheduling virtual and off-shift meetings or holding activities during employees' lunch time is another great way to attract new members. Although the group is aligned with business objectives, it is also essential to make it clear to potential members that there is still a social aspect to the group, and the importance to celebrate the culture of the group and to have fun.

5. Create a Budget and Secure Funding

The budget for ERGs can vary greatly from one ERG to another. For example, an ERG that is just starting out may not have any funds, while a successful group at a large corporation can receive as much as \$75,000-\$100,000 annually. A 2010 survey of 64 companies by Mercer found that the average annual budget for an ERG is \$7,203 per 100 members while DiversityInc reported the average budget for the companies on its Top 50 list is \$15,000 per ERG.

ERG funding can come from a variety of sources including the diversity department, support from the group's executive sponsor, the group's own fundraising, and funding

from human resources, communications or marketing.

How ERGs receive funding varies from company to company. At some companies, all ERGs receive the same amount of funding so that all groups are on equal footing. At other companies, each ERG is asked to submit a budget to the diversity department and is then awarded funding based on its contribution to business goals. At other companies, human resource departments give ERGs seed money to get started and then the rest of the funding comes from the ERG's executive sponsor. A survey of 20 companies found that 56% of ERGs receive some funding from its executive sponsor, while 89% receive some funding from its company's diversity department.

6. Set Realistic Goals

An ERG's goals align with the business objectives of the company, which commonly include recruitment, on-boarding, community outreach, supplier diversity, marketing and outreach, and focus groups. An ERG's goals should be clear, concise, easy to understand and measurable, and should include specific activities and timelines.

7. Set Benchmarks

Setting up benchmarks is how an ERG measures the progress the group has made towards its goals. Benchmarks also help define how the group is doing and show what it has accomplished.

Examples of Benchmarks

- Gain 5 new members per year
- Offer two disability etiquette trainings within the next year
- Increase the number of attendees at ERG meetings and events
- Attend two career fairs within the next 6 months