

BOSTON COLLEGE

CENTER FOR WORK & FAMILY

EXECUTIVE BRIEFING SERIES

In this Issue:

- *The history of ERGs and Affinity Groups*
- *Benefits for Employees and Employers*
- *Types of ERGs*
- *Where is your organization with ERGs? Getting started? Moving Forward? Tweaking your Efforts?*

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Employee Resource Groups: A Strategic Business Resource for Today's Workplace

Definition

Employee Resource Groups (ERGs) have existed in organizations for more than 40 years. In the past 5 years, however, ERGs have evolved from networking groups that promote diversity and inclusion to become key contributors to business strategy and operations. In our current global economy, multicultural competency and understanding is critical for business success. ERGs can utilize employee knowledge and expertise for talent management (recruitment/retention of diverse employees); to create culturally sensitive product development, marketing, and customer service as well as supplier diversity; and for building an inclusive and engaged workforce.

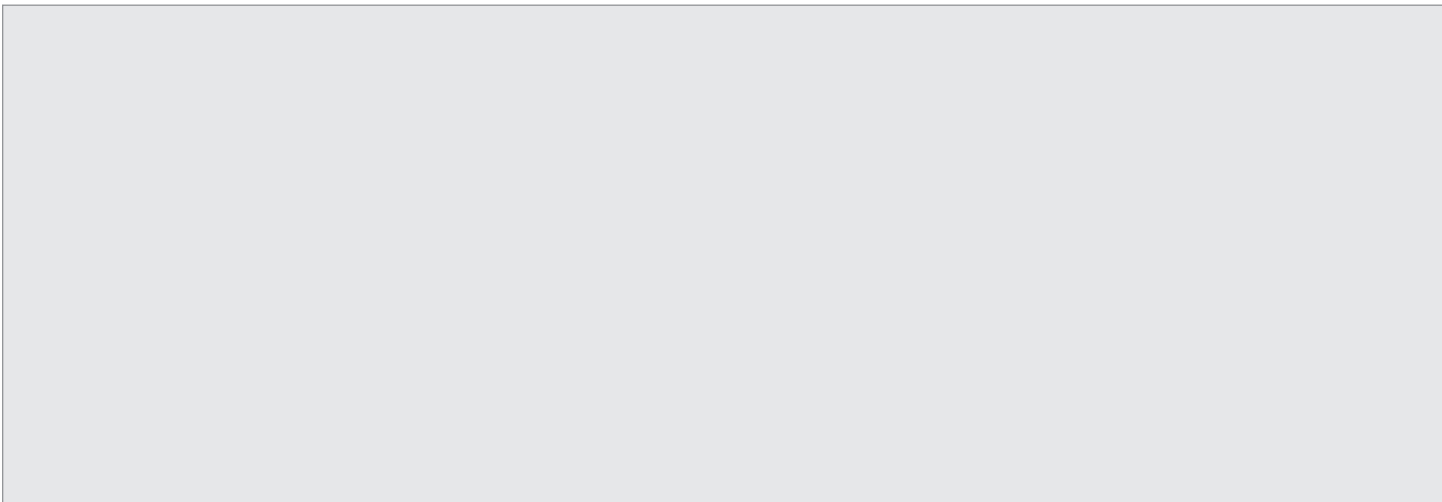
ERGs are known by various names including affinity groups, employee networks and diversity councils. DiversityInc found that organizations often use the word "resource" to reflect the benefits of ERGs to the business mission, approach and outcomes. Welbourne, Rolf & Schlachter (2015) suggest that the term "business resource group" will be used more in the future to emphasize the benefits of ERGs to both employees and organizations. In this Executive Briefing Series, we will use the term Employee Resource Groups (ERGs).

A 2011 Mercer report of 64 employers found that the average membership rate for ERGs was approximately 8% of the total global employee population ranging from less than 1% to over 20%, depending on the organization. The Employer Assistance and Resource Network on Disability Inclusion (EARN) indicates that 90% of Fortune 500 companies have ERGs.

History of ERGs

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WHERE IS YOUR ORGANIZATION ON THE ERG JOURNEY?

Getting started with ERGs

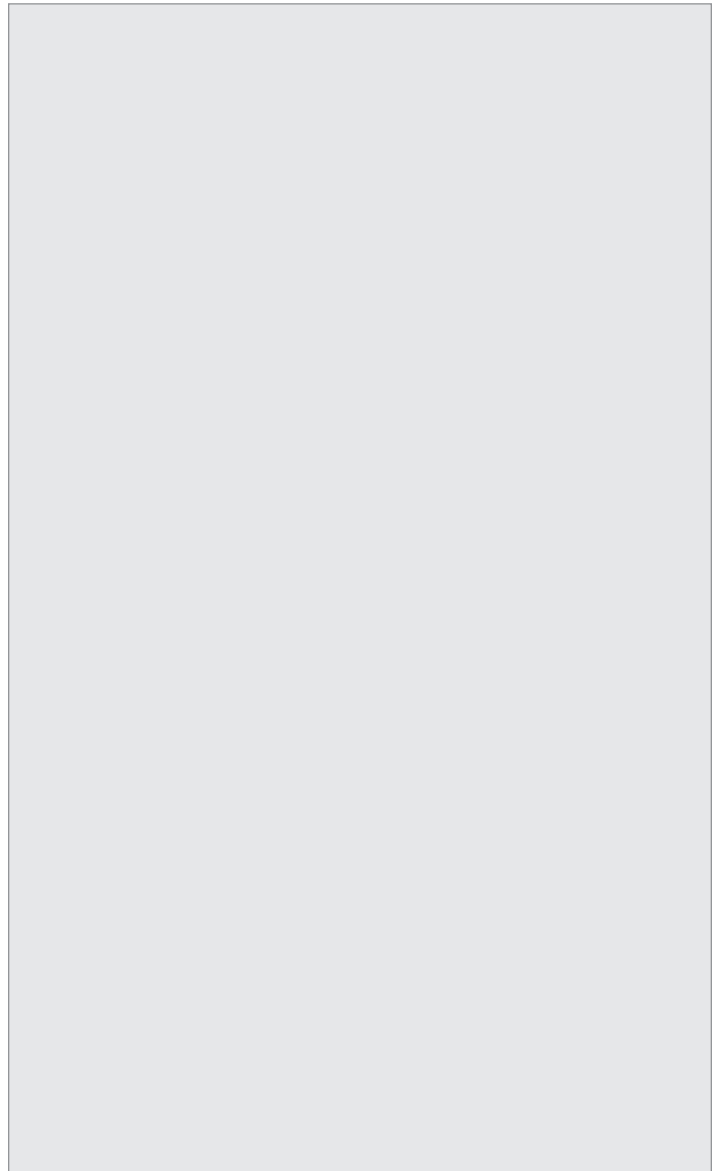
Perhaps your organization is just getting started with ERGs. Here's how you might begin:

- **Formalize:** Consider creating a document that details the role of ERGs in your organization and how they can impact recruitment/retention, organizational culture and business outcomes. Will a formal governance process be established with a defined structure? Has employee input been solicited and utilized?
- **Make the Business Case:** Describe and articulate the value proposition/business case of your organization's ERGs. What are the mission and the goals? Capitalize on existing efforts that are aligned with the work of your ERGs.
- **Customize:** Start with the ERGs that align with your business needs. Don't worry what your competitors are doing.
- **Get Members:** Recruit employees from various areas of the organization and articulate the benefits of participating in ERGs (interacting with employees from all levels within the organization, leadership opportunities, mentoring possibilities). Include not only employees that reflect that demographic or characteristic, but also employees interested in learning more about a particular population, topic or area.
- **Develop Leadership:** Determine how you will recruit executive sponsors and provide mentoring/leadership opportunities. What skills/values and attributes will be needed for these positions? Will Diversity & Inclusion staff coordinate ERGs efforts?
- **Communicate:** Determine how the voices/data from the ERGs will be shared with executives/leaders and other members of the organization to provide diverse and

Tweaking your ERGs

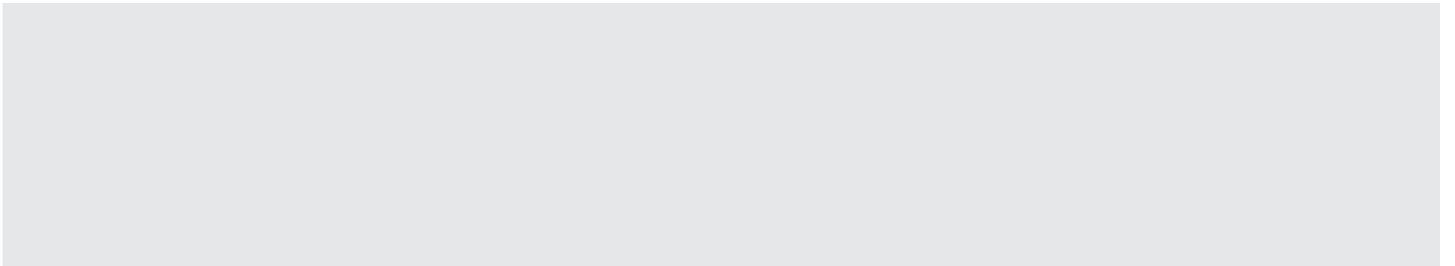
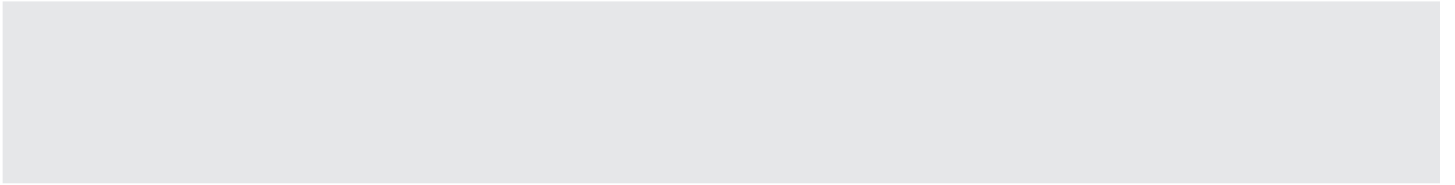
Perhaps your organization has a full menu of ERGs. How can you tweak your existing ERGs to solidify success?

- **Create Accountability:** Are managers held accountable for results in their ERGs? Are outcomes tied to compensation and/or an aspect of the performance review?
- **Get Employee Input:** Have you surveyed employees to learn their views on your current ERGs? If employees are not involved, what are the barriers? If an ERG member, what are the benefits of involvement?
- **Communicate:** Has your organization communicated both internally and externally how ERGs have impacted business operations, and improved recruitment and retention efforts to create a more diverse, inclusive and engaged organization? Are you maximizing the use of technology and social media for your communication efforts?



Challenges and Potential Solutions

Organizations may encounter various challenges in actualizing the full potential of their ERGs.



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