

## EMPLOYEE RESOURCE GROUPS

# Best Practices From Catalyst Award-Winning Initiatives

Across the corporate world, Employee Resource Groups (ERGs) are an instrument many companies use to drive employee engagement and business initiatives. But how they're used and integrated with strategic goals can vary widely. Is your organization getting the most out of its ERGs?

Through an in-depth review of 36 [Catalyst Award-winning initiatives](#) that span industries and global regions and were honored from 2010 to 2022, we find ERGs in top companies being used in a variety of ways, with the most effective, in our opinion, including the following components:



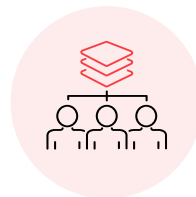
**Networking and connection**



**Recruitment and development**



**Executing DEI efforts across intersections of identity**



**Embedding ERGs in the development of DEI and other business strategies**

### EMPLOYEE RESOURCE GROUPS (ERGS)

- The [Catalyst Guide to Employee Resource Groups](#) defines ERGs as “voluntary, employee-led groups that are formed to act as a resource for both group members and the organization they work for. ERGs can have anywhere from a few members to a few thousand. They are typically based on a demographic (e.g., women), life stage (e.g., Generation Y), or function (e.g., sales), but they may also be based on other identities. They are dedicated to fostering a diverse and inclusive work environment within the context of the organization’s mission, values, goals, business practices, and objectives.”
- Other popular terms for similar groups include Business Resource Groups, Affinity Groups, and Employee Networks, Councils, or Forums.

Whether you are an ERG leader or member, or a senior executive or HR practitioner, this interactive tool will help you:

- Learn about the various ways ERGs may benefit employees, leadership, and DEI efforts as well as influence marketplace approaches.
- Grow and develop your ERGs so they can become a vital resource to your employees and company at large.
- Strategize ways that ERG work and leaders can actively create a more inclusive workplace culture for employees from marginalized groups.

## THE CATALYST AWARD

The [Catalyst Award](#)<sup>1</sup> is a signature recognition program celebrating initiatives that advance, recruit, develop, and include women. From 1987 to 2023, 108 initiatives from 96 companies have received this prestigious honor.

Initiatives that win the Catalyst Award are evaluated against seven criteria:

1. **Strategy and Rationale:** How is DEI integrated into how a company does business, and what are the programmatic elements of the work?
2. **Senior Leadership:** How do senior leaders support the initiative and how do they get involved?
3. **Accountability and Transparency:** Who is being held accountable for progress, and how?
4. **Communication:** How widely communicated are the components and rationale of the initiative?
5. **Employee Engagement:** How does the initiative involve employees across the organization?
6. **Innovation:** What new or different approaches to DEI can be found in the initiative?
7. **Measurable Results:** How much progress has been made since the beginning of the initiative?

# NETWORKING AND CONNECTION



Networking and connection are critical pieces of every employee's career because being visible to those in power is central to advancement, particularly for women, for whom making their achievements and accomplishments explicitly known to their managers is beneficial.<sup>2</sup>

We have seen that, among Catalyst Award-winning initiatives, ERGs excel when they create opportunities for ERG members to meet senior leaders, when they enable people from marginalized communities to support one another, and when they help members build their skill sets. In addition, ERGs should offer safe spaces where employees from marginalized groups can voice and validate their experiences.

If you want your ERGs to offer these opportunities, consider:

- Are there spaces for employees from marginalized groups to gather and discuss their experiences with one another?
- Are ERG networking activities offered across identity groups, so that marginalized employees aren't siloed?
- Are allies, particularly senior leaders, encouraged to participate in ERG events to expand their networks?
- Are there opportunities for ERG members to make their accomplishments known to senior leaders?

*Learn From Catalyst Award-Winning Practices:*

- [RBC's](#)<sup>3</sup> ERGs held events across a wide variety of identity groups that brought in community members and clients.
- [Medtronic's](#)<sup>4</sup> Women's Network had networking as one of its key initiatives, including signature events featuring senior leaders and keynote speakers.

*Case in Action:*

- Campbell Soup Company's 2010 Catalyst Award-winning initiative, [Winning in the workplace, winning in the marketplace, winning with women](#),<sup>5</sup> had affinity groups that drove a company culture of mentorship and the celebration of diversity at all levels. Network activities and external events, such as conferences and recruiting events, were regularly attended by members of the Corporate Leadership Team. Campbell Soup's affinity groups also included employees from functions that are often left out, such as those in plants and sales, a trend that has since then grown among Catalyst Award-winning initiatives.

*What will you do to increase networking and connection through your organization's ERGs?*

# RECRUITMENT AND DEVELOPMENT



ERGs can play a large role in expanding the pool from which employees are recruited and making the organization more attractive to people from marginalized backgrounds. In our review of Catalyst Award-winning initiatives, we saw that ERGs can advocate for a diverse pipeline of talent and identify new sources, such as colleges with high populations of marginalized employees or less homogenous geographic locations than where you usually recruit. ERGs also have a role to play in development—for example, by facilitating upward mobility through trainings, educational opportunities, mentorship, and formal sponsorships. When ERGs partner with the Human Resources (HR) team, you can expand your access to and advancement of talent in ways you may never have thought possible.

If you are looking to engage your ERGs in recruitment and development, consider:

- Are there channels for your ERGs to advise decision-makers on recruitment and development strategies?
- Are ERGs given the resources to lead their own recruitment or development programs, such as recruiting at HBCUs or sponsorship programs?
- Do senior leaders support your ERGs' efforts to recruit and develop people across identities?

*Learn From Catalyst Award-Winning Practices:*

- [Kaiser Permanente](#)'s<sup>6</sup> Staff Association Groups (their name for ERGs) advocated for initiatives that increased the recruitment, hiring, development, and promotion of people from marginalized groups.
- [Alcoa](#)'s<sup>7</sup> Women's Network advised leaders about gender-specific barriers (e.g., to advancement) and EAGLE, the LGBTQ+ affinity group, partnered with HR to expand domestic partner benefits.
- [Sodexo](#)'s<sup>8</sup> ERGs (called ENGs) partnered with HR and the Office of Diversity to drive recruitment efforts, providing insight into the needs of each region to customize professional development programs, and connected leaders and members with one another across regions for mentorship, networking, and community building.
- [BMO](#)'s<sup>9</sup> ERGs drove recruitment by partnering with external organizations to source and bring in new talent.
- [Telstra](#)'s<sup>10</sup> Virtual Women's Network (VWN) provided a range of benefits, such as networking, panel events, and career development resources on gender diversity via the VWN intranet site.
- [Northrop Grumman](#)'s<sup>11</sup> ERGs were involved in hiring, succession planning, mentoring, and talent development.
- [IBM](#)<sup>12</sup> leveraged Business Resource Groups (BRGs) to aid recruiting in schools and local communities with large populations from marginalized racial and ethnic groups.

*Case in Action:*

- In McDonald's 2011 Catalyst Award-winning initiative, *Freedom within a framework: Global women's initiative*,<sup>13</sup> the Women's Leadership Network (WLN) was the vehicle for the initiative and had the backing of line leaders globally. Through the WLN, McDonald's was able to tailor global efforts to the demands of each region. For example, efforts in Japan focused on addressing cultural norms for working women by introducing initiatives to reduce excessive overtime. This differed from efforts in Spain, where "core meeting hours" were introduced to curtail late meetings and allow employees with family needs at night to be included. So although the focus and execution of the strategy differed by location, women at McDonald's benefited globally. Strategies such as these can aid in both recruitment and retention, particularly of employees from marginalized races and ethnicities.<sup>14</sup>

*What will you do to enhance the ways your ERGs are involved in the recruitment and development of employees?*

# EXECUTING DEI STRATEGIES ACROSS INTERSECTIONS OF IDENTITY



Many organizations employ the influence and networks of ERGs to help execute their broader diversity, equity, and inclusion strategies. Importantly, ERGs in these organizations can push leaders to view issues impacting people from marginalized populations through an intersectional lens rather than in isolation, and they can demonstrate the benefits of promoting allyship across intersectional identities.

If your ERGs are ready to drive DEI strategies that improve the workplace for people across intersections of identity, consider:

- Do your ERGs work together to address issues at intersections of identity? For example, if you have an ERG for LGBTQ+ employees and an ERG for Black employees, are they encouraged to hold joint events and activities to address the experiences and needs of Black LGBTQ+ employees?
- Are people from majority groups being engaged as allies? ERGs can be a powerful way to, for example, help White men see how their gender and race or ethnicity impact their lives and how gender roles and expectations are harmful to everyone.
- Do employees see senior leaders visibly advocating for ERGs? Leaders should intentionally attend and encourage participation in ERG events, especially those run by ERGs focused on identities that are not their own, as well as adopt the recommendations of ERGs to close gaps.

*Learn From Catalyst Award-Winning Practices:*

- [Alcoa](#)<sup>15</sup> prioritized allyship by encouraging employees to join an ERG of an identity group to which they themselves do not belong.
- [3M](#)<sup>16</sup> brought people together across gender to create action plans that focus on local DEI and marketplace priorities.
- [Rockwell Automation](#)'s<sup>17</sup> ERG, Rockwell Automation Women in the Field (RAWiFi), included male allies who worked to raise awareness and provide support.

*Case in Action:*

- Eli Lilly's 2019 Catalyst Award-winning initiative, *Employee journeys and people strategy*,<sup>18</sup> brought ERGs directly into the work of understanding barriers not only for individual groups, but also across intersections of identity through a strong storytelling component called "Journeys." Beginning with the *Women's Employee Journey*, the goal was to use quantitative and qualitative research to understand employee experiences of exclusion. This evolved into *Minority Employee Journeys* that explored how gender, race, and ethnicity intersect in people's daily workplace experiences. The work was heavily driven by leaders and members of ERGs, who analyzed data and shared lessons learned across the organization through a variety of means, including events.

*What will you do to leverage ERGs to increase inclusion for people from marginalized groups across intersections of identity?*

# EMBEDDING ERGS IN THE DEVELOPMENT OF DEI AND OTHER BUSINESS STRATEGIES



In our review, we found that ERGs flourish when they are integrated into the foundation of DEI work and have the authority to build and execute DEI strategies. This occurs when: 1) ERG leaders sit on diversity councils, advise senior leaders, and craft concrete strategies to address the needs of the group they represent, and 2) ERG leaders' work is included in their core job descriptions, and they are compensated financially for this critical role. These sophisticated ERGs are fully embedded in and even drive DEI strategy, reaching the whole workforce. They also influence marketing strategies as well as the workplace through deeper partnerships with HR and external organizations.

If your ERGs are ready to maximize their impact by becoming embedded in organizational decision-making, consider these questions:

- Do all employees have access to ERGs, including those in sales, factories, and other non-office settings? Access should also be available regardless of work location, e.g., whether an employee works remotely or is co-located with others.
- How can you involve ERG leaders directly in your company's strategy decisions? ERG leaders should have both a seat and an active voice on executive boards, including but not limited to DEI committees.
- How can ERGs be brought in to advise on the development and execution of marketplace strategy? The voices and perspectives of marginalized groups can add fresh perspectives to goods and services.
- Do employees have the space in their jobs to participate in and lead ERGs? Facilitate participation by, for example, incorporating ERG participation and/or leadership into job descriptions, paying employees for ERG leadership, adding ERG activities into KPIs, and describing ERG involvement in promotion announcements.

*Learn From Catalyst Award-Winning Practices:*

- [Chevron's](#)<sup>19</sup> ERGs met directly with the executive leadership team to ensure strategic alignment, were trusted to design and lead their own projects, and provided guidance on marketing strategies for marginalized groups.
- The [Medtronic](#)<sup>20</sup> Women's Network crafted the three-part strategy that undergirded the organization's entire DEI initiative.
- [RBC](#)<sup>21</sup> leveraged 41 ERGs to advise its D&I strategy through senior leaders and the Diversity Leadership Council.



*Cases in Action:*

- In Barilla's 2021 Catalyst Award-winning initiative, *An Italian family-owned company's journey to global inclusion*,<sup>22</sup> ERG leaders worked alongside executives to align priorities and monitor progress against DEI goals. These leaders spanned the organization, coming from many levels (not only senior roles) and bringing many more diverse perspectives to bear. Barilla's headquarters are in Parma, Italy, providing a European base of operations, and the company was able to rely on its ERGs globally to drive the initiative from the bottom up. For example, ERGs were trusted with the development of yearly action plans and were responsible for their implementation locally. They also customized global goals to the needs of employees in their region and started chapters in regions of the world where ERGs are less common. These ERGs even found ways to advocate for LGBTQ+ employees in countries where being LGBTQ+ is illegal.
- Boston Scientific's 2022 Catalyst Award-winning initiative, *Accelerating progress for women by creating equal opportunities for growth*,<sup>23</sup> established ERGs as integral to the core of DEI work. ERG leaders sit on its Global Council for Inclusion, the primary DEI governing body, alongside the CEO; CFO; SVP of HR; Executive Committee; Global Chief Diversity, Equity & Inclusion Officer; and entire DE&I team. These leaders set goals for their ERGs, which they cascade to local chapters. Each ERG has a global executive sponsor to ensure that those goals are aligned with the business strategy and to provide support in achieving them. The ERGs have chapters around the world, and participation provides visibility to senior leadership that advances careers. To support the valuable work they do, Boston Scientific compensates ERG leaders for their work and has added ERG responsibilities into job descriptions. This is an area of growing conversation among many organizations.
- There has also been a shift toward including non-office-based (whether home office or co-located office) employees in ERGs. Both [Barilla](#) and [Boston Scientific](#)'s initiatives<sup>24</sup> had ERGs focused on the needs of employees in plants and factories, which are often more challenging to incorporate due to many factors, including but not limited to differing shifts and lack of employee email addresses. These efforts cascade DEI strategy through all parts of an organization.

*What will you do to embed your ERGs and their leaders in decision-making across the business?*

# Action Plan for Building Best-in-Class ERGs

How can you use these learnings to leverage your organization's ERGs?

## Everyone has a role!

- **ERG leaders:** Leverage your access to senior leadership to propose new ways of achieving inclusion. Your perspective is irreplaceable.
- **Executive sponsors:** Make sure the voices of your ERG leaders are heard at critical strategy meetings and included in decisions about any DEI-related plans.
- **DEI practitioners:** Connect decision-makers, whether senior executives or those on your DEI team, to ERG leaders to hear and incorporate their recommendations.
- **Senior leaders:** Make sure ERG leaders are present at critical strategy meetings and encouraged to share their perspectives. Be sure to use their ideas when building your DEI agenda and ensure that they have ownership over planning and executing ERG activities.

You can also use our [ERG toolkit](#)<sup>25</sup> as a reference as you advance on your inclusion journey.

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## ENDNOTES

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