



Our Webinar Will Begin Shortly

Today's Topic:

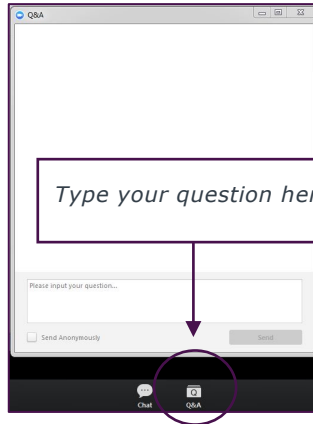
ERGs at the Crossroads: Benefits, Boundaries, and Burnout

Engaging in Chat



Utilize the **Chat button** to make comments throughout the session.

Asking a Question



Brief Exit Survey



We'd appreciate your **feedback** on today's presentation.

Meet Your Presenter



Kaela Blanks

*Associate Director, Advisory,
Seramount*

Kaela (*she/they pronouns*) is currently the Associate Director of Advisory at Seramount, focused on the Employee Resource Group (ERG) advisory offerings, providing advice and resources to organizations executing ERG strategies. Before Seramount, Kaela drove DEI practices at various organizations like Assured Partners, Wawa, and Aramark, which included ERG strategy-building, ERG leadership upskilling, aligning objectives to the business, and executive leadership engagement.

ERGs at the Crossroads: Benefits, Boundaries, and Burnout



The Rise of ERGs

After 60 years of unremarkable existence, Employee Resource Groups (ERGs) have **become the centerpiece** of most human capital strategies.”



Frequently Asked ERG Questions from Seramount Members

- How do I start a _____ERG? What should I consider? (Disability, generational, neurodiverse, religious, mental health, multicultural)
- What are best practices for ERG structure and (re)organization? How do we organize globally?
- What are some tips for increasing member engagement?
- Which ERG metrics should we track?
- What should an ERG leadership development program look like?
- What have you seen other companies doing to determine ERG budgets?
- How can we improve a struggling ERG? (Typically related to ERG leadership challenges – high turnover, lack of diverse representation, etc.)
- Which ERG management tools do you recommend?
- How are organizations considering ERG leader compensation or recognition?
- What advice do you have for merging ERGs?

Key Questions for Seramount's ERG Research



1

How did a decades-old tactic become so popular in the last few years?

2

What does this mean for ERGs and people who participate in them?

3

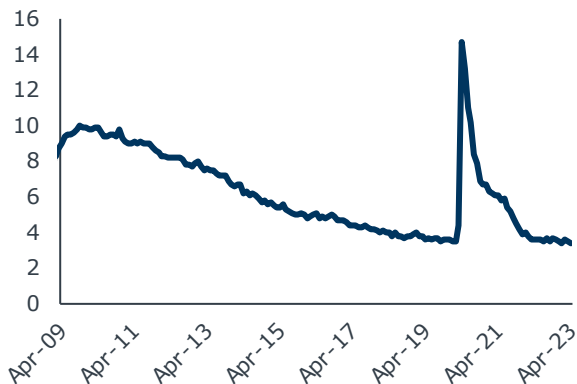
What can organizations at every stage learn from organizations on the edge of innovation?

Drivers of Long-Term Growth



Labor Market Stretched

US Unemployment Rate



Minority Market Power Increasing

US Hispanic, African American, Asian American, Native American Buying Power

\$671
Billion

1990

\$4.9
Trillion

2020



A Whole New World



ERGs Relied on During Unprecedented Time of Disruption

“Executives didn’t know how to respond, so they turned to our ERGs to fill the gap.

Rapid DEI Investment and Program Setup

“Our diversity team was created overnight, and very ambitious goals set.

Move to Remote Work Creates Opportunity to Standardize

“Suddenly, we could include all these people who had never been in the office.

Post-Pandemic Headwinds and Tailwinds



DEI Commitments and Investments Under Pressure

Last In, First Out

1 year

Average tenure of laid off employees during 2022/2023 tech layoffs

2.5 years

Average tenure of all company employees during 2022/2023 tech layoff

Disproportionately Affecting Women

39%

Women in the overall tech workforce

46%

Proportion of women laid off in tech since September 2022

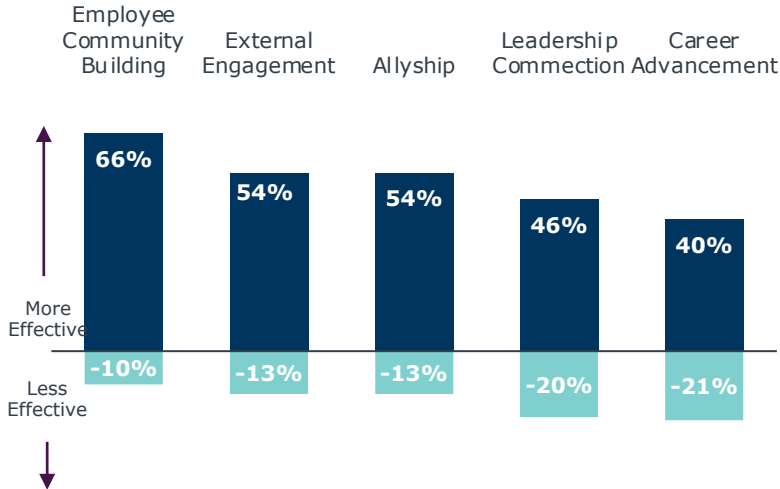
Mass tech layoffs this year revealed **disproportionate cuts to many historically excluded staff**, a trend due to the bias towards less-tenured staff. This includes DEI staff hired under recent diversity-promoting protocols, **raising questions about the seriousness of companies' commitments to DEI** long-term.

Difficult to Prove ERG Effectiveness

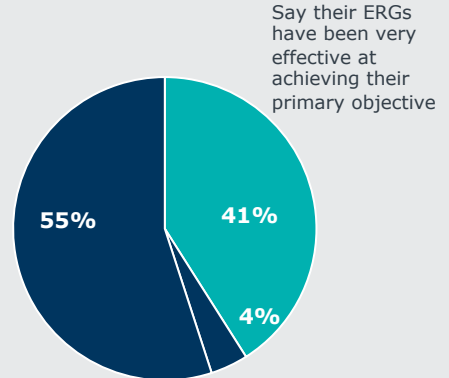


Effectiveness of ERGs by Dimension

% of ERG members rating



ERG Effectiveness at Achieving Primary Objective



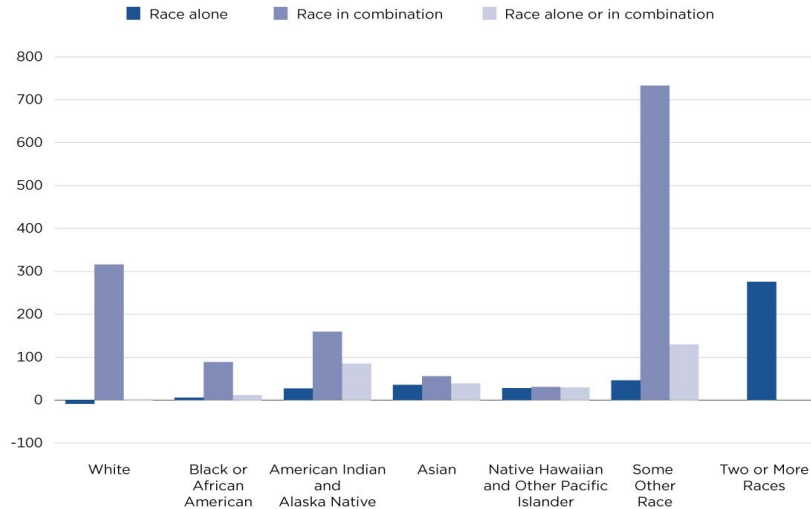
Say their ERGs have been somewhat effective at meeting primary objective

Say their ERGs have been very effective at achieving their primary objective

Identity Increasing in Complexity

Figure 3.

Percentage Change in Race Groups: 2010 and 2020



Note: Data users should use caution when comparing 2010 Census and 2020 Census race data because of improvements to the question design, data processing, and coding procedures for the 2020 Census. Information on confidentiality protection, nonsampling error, and definitions is available at <https://www2.census.gov/programs-surveys/decennial/2020/technical-documentation/complete-tech-docs/summary-file/>.

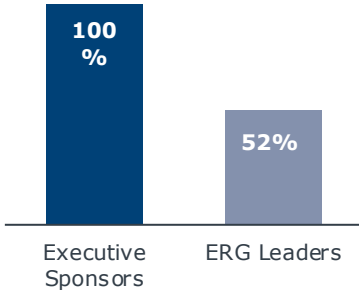
Source: U.S. Census Bureau, 2010 Census Redistricting Data (Public Law 94-171) Summary File; 2020 Census Redistricting Data (Public Law 94-171) Summary File.

ERG Leaders Running Out of Gas

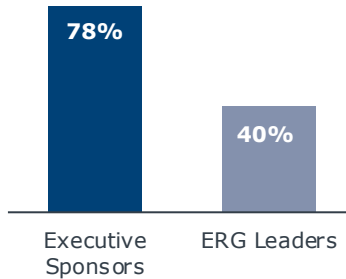


Executive ERG Sponsor vs. ERG Leader Responses

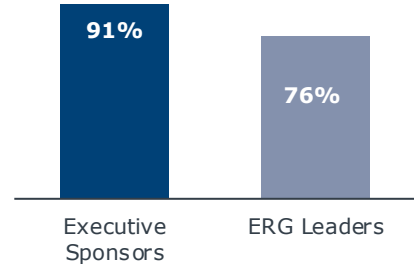
Agree leadership encourages ERG participation



Agree ERG involvement supports career advancement



Agree they feel a sense of belonging at work



Looking for Burnout Solutions

"And we have burnout, like every company. The ERG leaders are carrying more on their shoulders than they ever have. And **there's high turnover and burnout** and we think that if we can alleviate some of that administrative burden that they have and streamline some more processes: how to join, how to send an email to your membership, etc. if they can be more automated, it will help with that burnout."

DEI Head of ERGs, Government Contractor

Tensions and Boundaries

Inclusivity vs. Exclusivity



Are ERGs inclusive or exclusive?

Exclusive

For a Defined Group

- Safe space to share common experience
- Separate opportunities for allies
- Focused on a single identity



Vs.

Inclusive

For Everyone

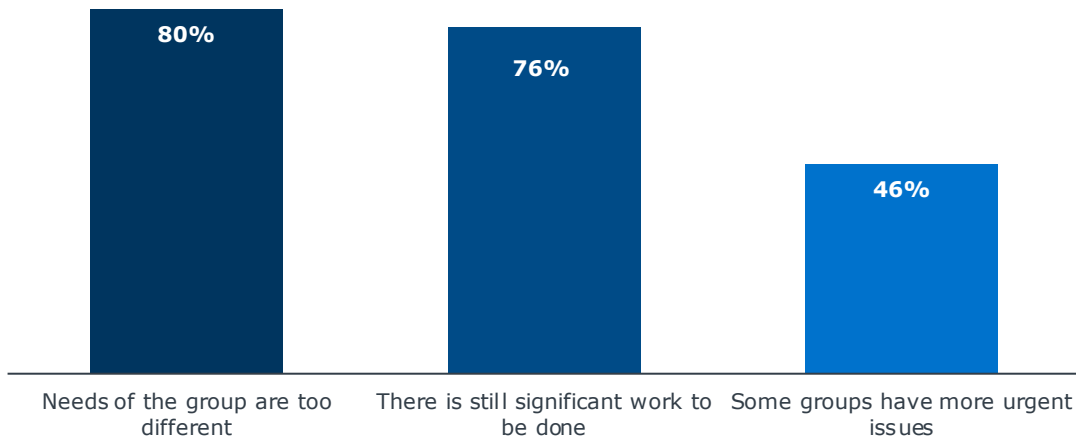
- No restrictions on membership
- Executive sponsors from outside affinity
- Focused on multiple identities

Hybrid Approach Becoming Standard



Top 3 Reasons Cited for Still Needing Affinity Groups

Seramount 2022 ERG Leader Survey



Source: Seramount, Keenan, D., Frankel, B., & Forster, D. (2022). The Future of ERGs: Are Affinity-Based Groups Still Necessary? Seramount.



Voluntary vs. Professional

Are ERGs voluntary or professional?

Voluntary

Extra-Curricular

- Work done primarily from personal passion
- In addition to full-time role
- Independent goals



Professional

Part of Role

- Goals set by organization
- Formal recognition and compensation
- Evaluation as part of primary role

The Evolution of ERGs



1

Affinity Groups



Create community

1. Establish safe space
2. Celebrate heritage
3. Build network

2

Employee Resource Groups



*Add structure
governance and
resources*

4. Assist with talent
5. Receive company recognition
6. Formalize reporting and structure
7. Connect with external community

3

Business Resource Groups



*Add business
alignment*

8. Provide voice of membership
9. Generate revenue
10. Achieve metrics and KPIs
11. Centralize and scale

4

Next-Generation Groups

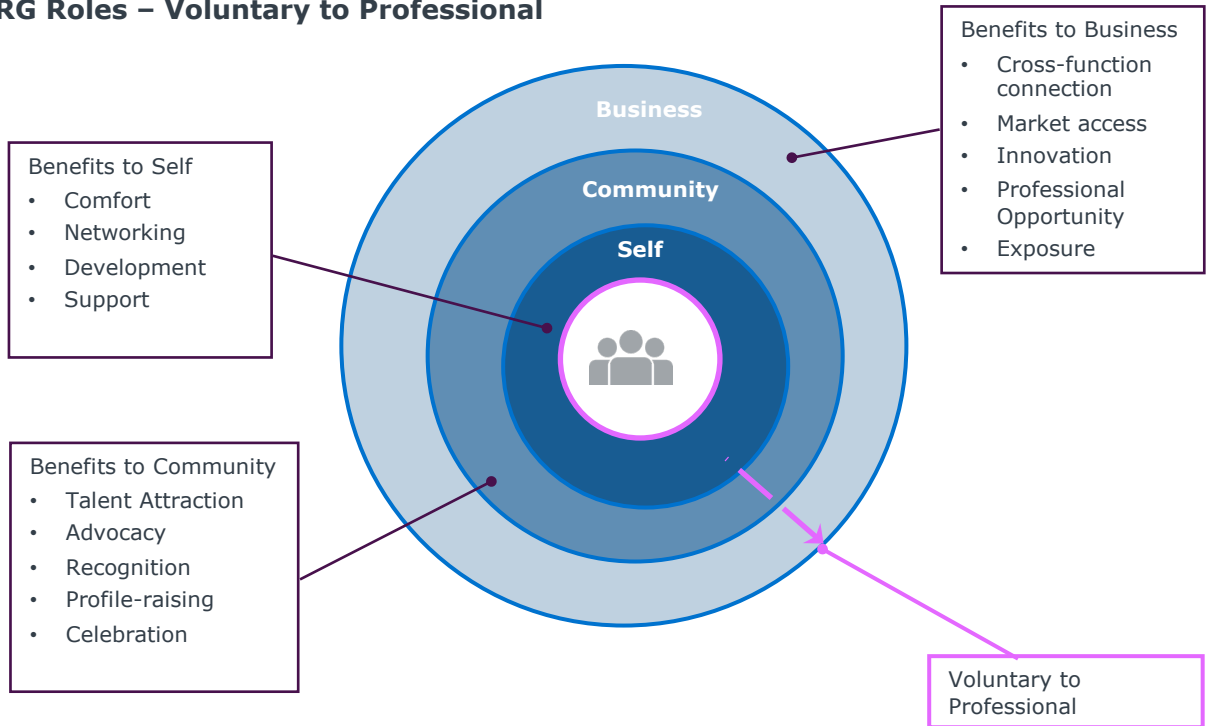


*Add
intersectionality
and inclusion*

12. Work with other ERGs
13. Center on different groups within ERG
14. Include exempt and hourly workers
15. Create global connections

Where To Draw The Line

ERG Roles – Voluntary to Professional



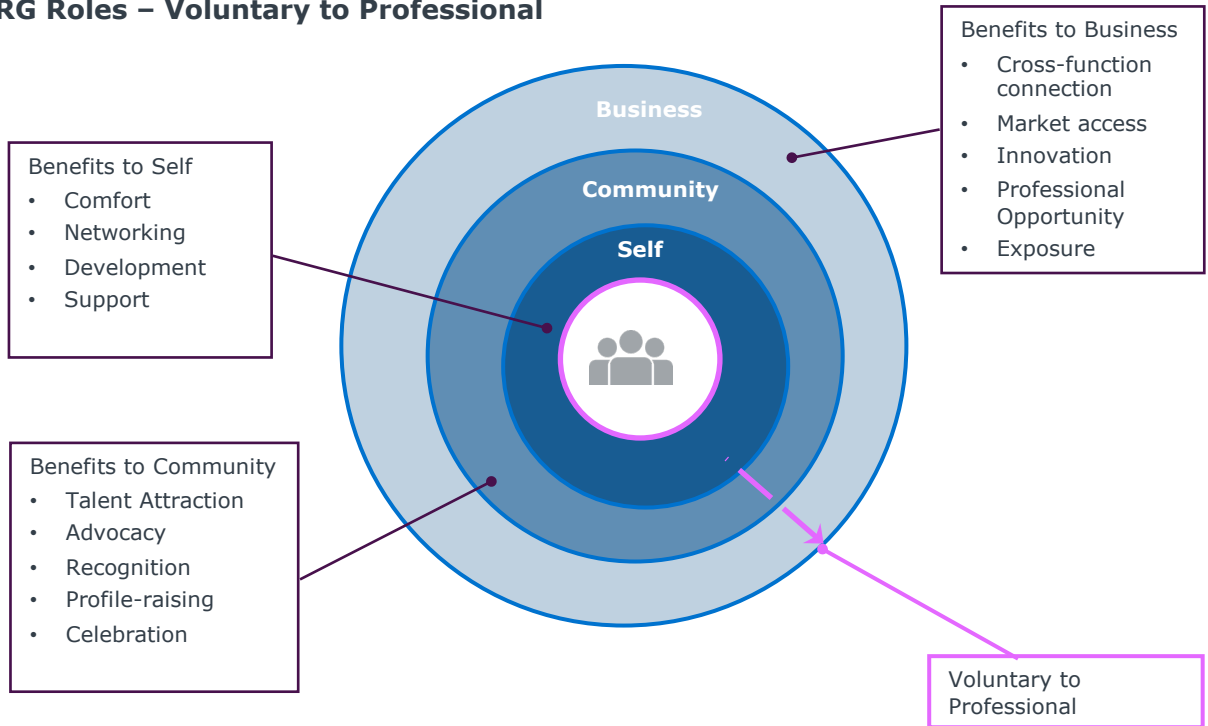
Recognizing the Latine Market

Frito-Lay asked Adelante, their Latino employee network, to provide feedback on the product to help ensure it was embraced by the target market as authentic. It reportedly became one of the company's most successful launches, **bringing in over \$100 million in sales in the first year.**



Where To Draw The Line

ERG Roles – Voluntary to Professional

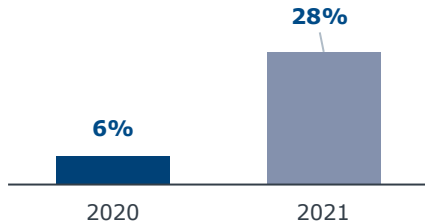


Working Two Full-Time Jobs

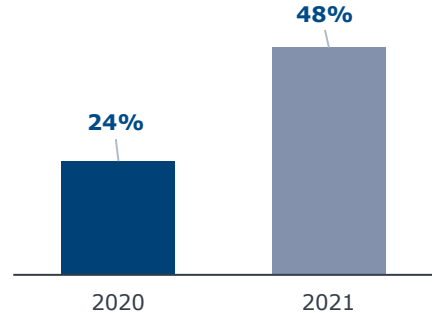


Organizations Compensating and Considering Compensation

Currently Compensating



Considering Compensation



Major ERG Leadership Compensation Models



1

Development Opportunities

Many organizations we spoke with are in active discussions around ERG leadership compensation.

5

Full-Time Role

2

Volunteer Hours

3

Stipend or Supplement

4

Role Carve-Out

Live Q&A With a Seramount ERG Expert!

Type Your Questions Into the Q&A Box!



Kaela Blanks

*Associate Director, Advisory,
Seramount*

Your Preeminent Partner to Create an Inclusive Workplace

Resources and Events to Support ERGs, Talent Management, and to Advance Your DEI Strategy.

Activated ERGs Center of Excellence

1

Developing ERGs

Seramount works to ensure ERG governance is supported and sustainable. We want to help you uplift the next generation to attract, engage, develop and retain talent.

2

Engaging ERG Leaders

Our expert advisors support the development of inclusive leaders. We also collaborate with your team to design initiatives that benefit diverse colleagues and provide meaningful programming.

3

Career Growth for Participants

ERG leaders and members learn skills to raise visibility and influence in the workplace. We help translate these skills to career growth and leadership development.

Resources and Events to Help Member Companies Maximize the Effectiveness of ERGs:

Past

- Research Report: The Future of ERGs
- Guide: ERG: A Vital Resource in Times of Disruption and Crisis
- Blog: From ERGs to BRGs: Three Essential Factors for Organizational Alignment
- Guide: 4 Ways to Maximize ERG Engagement in a Hybrid Work Environment

Upcoming

- Insight Paper: ERGs at the Crossroads: Benefits, Boundaries, and Burnout
- Webinar: Strategic BRG Transformation: Lessons from American Family Insurance's Success Story
- Webinar: ERG Compensation Best Practices
- Conference: EmERGE

How Else Can We Help?

Take Our Poll

I'm interested in...

- 1 Learning about how Seramount advisors can help advance my ERG strategy through the DEI Research Partnership
- 2 Downloading the research report, *ERGs at the Crossroads: Benefits, Boundaries, and Burnout*
- 3 Signing up for the next webinar on June 28, *Strategic BRG Transformation: Lessons from American Family Insurance's Success Story*
- 4 Something else? Choose this option and we will follow up with you

A Quick Ask



We value your feedback.

Please take a few minutes to **complete the short survey** that pops up at the close of this webinar.

Thank you!



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