

We're Better Together.

Harness the Power of Employee Resource Groups for Cultural Transformation



Discover how to improve employee engagement and promote a culture of diversity and inclusion with employee-led programs and clubs.

Employee Resource Groups (ERGs) are capturing the hearts of corporate culture and with good reason – it has become one of the more compelling differentiators in this increasingly global and competitive job market. Encouraging employees to express their true selves and celebrating uniqueness has been proven to be a powerful tool for improving employee engagement, supporting diversity, and differentiating your company as a brand and as a culture.

However, successful ERG programs don't just happen on their own – nor are they necessarily easy to setup, run, and maintain in corporate environments. The bigger or faster a company is growing, the greater the need to organize and manage ERGs beyond the spreadsheet. This is particularly true of new generations of workers who are seeking greater philosophical alignment to the organizations they are working for and with.



A woman with dark hair and glasses, wearing a light-colored blazer and pants, is walking alongside a man with short brown hair and glasses, wearing a light blue button-down shirt and dark trousers. They are both looking down at a yellow tablet held by the man. The background is a blurred office interior with a glass door and a potted plant. The entire image has a semi-transparent orange overlay.

EMPLOYEE RESOURCE GROUPS

How it works

The basics: an ERG is an affiliated group of employees within an organization who share distinctive qualities, interests, or goals.

Employees from particular constituencies may initiate ERGs, or they may be organized from HR teams or Diversity and Inclusion departments. ERGs are commonly formed for veterans, LGBTQ+ employees, women in the workforce, working parents, single parents, and for purposes of cultural diversity. However, they can also center on special interests and hobbies, like fantasy sports leagues or wine tasting.

Whether the HR organization is aware of it or not, any company with more than a couple hundred people is likely to have ERGs in place.

It could be something as simple as an intramural sports league or a book club. People tend to associate with each other based on common interests. In the case of ERGs, this tendency can have a positive impact on an employee's job satisfaction and loyalty.

However, a company's ability to leverage ERGs to improve employee engagement requires executive support and HR oversight. That said, there is no one-size-fits-all approach to ERG programs. Each program is as unique as the ERG participants themselves.



ERGs in action

PINTEREST

Pinterest's Knit Con is a two-day conference in which employees lead sessions on their areas of expertise. The objective¹ is to "give people a chance to discover new hobbies or ideas while embodying one of the company's core values: 'Knitting.'" Knitting, according to Pinterest co-founder Evan Sharp, is when "two ways of seeing meet, and something new occurs." Knit Con sessions have included a jazz appreciation class, creative coding, edible gifts, and Jiu-Jitsu.

WORKDAY

Employee Belonging Councils² at Workday seek to celebrate employees' passions and help to make it a Great Place to Work.³ In addition to favorite past-times, like chess or ping-pong, Employee Belonging Councils also celebrate diversity. For example, the Asian Pacific Islander Employee Belonging Council hosted a party to celebrate the Indian festival of Holi. The party drew more than 175 people. According to Workday, "there's a club for everyone, and if there isn't, Workday employees are encouraged to start their own. We have more than 80 funded clubs and counting."

COMCAST

The Veterans Network⁴ at Comcast is one of many ERGs "designed to encourage employees to bring their whole selves to work, thus enriching our culture with their unique points of view, backgrounds, and experiences." The Veterans Network began alongside the company's effort to hire more than 13,000 veterans, military spouses, and National Guard and Reserve members. The ERG is open to everyone and makes it easy for veterans to mentor one another.



GOOGLE

Google's ERGs⁵ play an essential role in helping new employees feel at home in a rapidly growing company. Google provides financial support for some of its ERGs that represent social, cultural, or minority groups. Google also encourages employees to organize groups around particular interests. The company says there are "literally tens of thousands of special interest groups that can range in size from two to more than 1,000 members and cover topics from wine to hiking to quilting to Dungeons & Dragons." ERGs and special interest groups make it easy for new employees to find their sense of community.

**19% average
revenue increase
for companies reporting
above-average team
diversity**

PANDORA

Pandora⁶ also provides financial assistance to its ERGs. According to the company, "Any Pandora employee can create a PERG (Pandora Employee Resource Group) by finding at least four other employees who share the interest in a given subject, and the company will sponsor the ERG up to \$1,000 a year." Like the other companies listed here, Pandora's ERGs represent a wide variety of professional topics, as well as personal hobbies and interests.



Common challenges with ERG programs

ERG programs like those above don't happen by accident. HR must provide the guidance and tools employees need to start, run, and promote their groups quickly. While there are many nuances to corporate ERG programs, best practices do exist, and following them can help HR organizations overcome some of the common challenges that are inherent with ERGs.

A well-run and managed ERG program benefits both employees and the business. Employees get the benefit of building interpersonal relationships that make the workplace more welcoming and enjoyable, while the company reaps the rewards from having a more diverse, happy, and engaged

community of workers. However, just because ERGs are started and run by employees doesn't mean that they are self-sustaining or effective at delivering the benefits companies seek. A unified platform can help HR and employees alike meet their goals for an ERG. By serving as a central tool for setting up, running, and operating an ERG, a platform makes it easy for employees to gather around shared interests while lowering the overhead for HR.



1 ERG program success

Challenge:

Fostering a prosperous environment for ERGS

Thriving ERGs are woven into corporate culture. For example, new employees at Google know they can make a connection and build their network by joining one or more ERGs. However, you can't force employees to form and participate in ERGs, so, how does HR design and fund ERGs that are meaningful? Similarly, just because employees meet around a particular interest doesn't automatically mean they'll get financial or other support from HR.

Best Practice:

Drive culture from the bottom up

All too often, corporate culture is dictated from the top down. However, the most meaningful corporate cultures are those that develop organically. Empower and encourage employees to identify what is important to them through the ERGs they form, and then foster the values or ideals that are expressed therein—whether it be an entrepreneurial spirit, giving back through volunteer work, expressing creativity, or an active lifestyle. When developed in this manner, the corporate culture will be meaningful to employees, and the ERGs they create will have a higher chance of longevity.

Challenge:

Leveraging ERGs to foster employee engagement

How many ERGs are active? Which ones are the most popular? Is a core group of employees engaged in multiple groups, or are you reaching employees across the enterprise? Without these insights, HR cannot provide adequate support when and where it's needed or measure employee engagement and encourage involvement. However, how do you do that, especially if existing ERGs started organically?

Best Practice:

Analyze and measure success

There are a variety of success metrics used to measure ERG programs, such as employee retention. While there is not a one-to-one relationship between the two, ERGs should impact attrition. ERG performance can also have a positive impact on employee productivity and absenteeism.

Using an ERG platform can help you measure more specific metrics, including informal ERGs. For example, you can track who is attending which groups, and see whether you've reached penetration across departments and campuses.



2 Foster employee engagement



Promoting ERGs

Challenge:

Promoting ERGs

For ERGs to be successful, employees must get the word out with minimal effort. Unfortunately, this introduces greater challenges to HR, namely, streamlining corporate communications. Email, intranet, paper flyers, electronic displays – there's no shortage of corporate communication mediums. If you have 80+ clubs like Workday, corporate communications can become a nightmare. HR needs a way to give everyone equal promotion while streamlining communications.

Best Practice:

Go beyond traditional outreach tools and strategies

A platform with an integrated calendar can show what's happening every day while highlighting special events or new ERGs. General information about ERGs that appears on your corporate intranet or Wiki pages can link back to this platform where employees can get information on points of contact, meeting times, as well take action, such as leaving feedback or making a co-payment for an event.

Challenge:

Governing ERGs

A formalized ERG program requires some guidelines to ensure that employee-formed groups are in everyone's best interests and that the program runs smoothly. Some of the factors HR must consider are what types of employee clubs represent the needs of your cultural community, the minimum number of attendees required to start a club, requirements for receiving financial support from the company, and guidelines for requesting corporate-hosted meeting space.

Best Practice:

Create a policy for ERG requirements

Document the guidelines and rules for establishing an ERG, as well as how the company supports them. Keep this information in a place that's easily accessible to all employees. This is something you'll want to also include in your employee on-boarding as a method of demonstrating your company's dedication to inclusion.



4 Governing ERGs



Challenge:

Finding the time and budget to support an ERG program

HR already has a full workload. Whether or not you choose to give ERGs direct financial support, they do require time and effort to manage properly. When beginning an ERG program, it's not unusual for HR organizations to struggle with how it fits into the existing budget, how much time should be allocated to an ERG program, and how much time it takes to support one.

5 Find the time and budget

Best Practice:

Use technology to automate workflows and scale programs

You may be tempted to start your ERG program with a spreadsheet or Google Docs, but a Web-based platform will give you the visibility and governance you need to ensure a successful start, as well as the automation and integration to scale. A platform can serve as the central location where employees go to learn how to start a new club, request permission to do so (if required), promote upcoming events and activities, and request funding or reimbursement. In short, a cloud-based platform makes it easy for employees to run their ERGs while reducing the overhead for HR.

Challenge:

Encouraging executive involvement

Executive involvement in your ERG program sends the message to all employees that these groups are valued and encouraged. It also gives employees access to executives in a relaxed environment. However, while ERG programs are attracting attention from the C-suite, getting executives actively involved beyond budget approval can be a significant challenge. After all, everyone's busy, and no executive can participate in every single group you offer.

Best Practice:

Identify corporate goals and align executive involvement accordingly

HR should speak with executives about their mutual business goals, how they translate into ERGs, and the level of involvement an executive is willing to commit. Working together, you can find ways to meet everyone's needs. For example, if the company is focused on recruiting female engineers, an ERG can be created in conjunction with this effort, and an executive sponsor can kick it off.



6 Executive involvement

Inclusion has never been so simple.

Gain loyalty by delivering the platform for it. Be the culture magnet. Espresa created the best ERG platform to meaningfully connect people in ways they love, while supporting HR and people teams with everything you need to simplify the process from end-to-end.

With Espresa, everyone is empowered. Plus, we give HR a 360-degree view of ERGs, including:

- Real-team membership and administration
- Communication lists per group and per location
- Management of ERG administrators and owners
- Detailed analytics on event participation and popularity
- Budgeting management for formal ERGs
- Reimbursement management for both formal and informal ERGs



Let's talk

Giving employees a great place to work begins with giving them a deep sense of community amongst their coworkers and peers. People more than ever need a place to belong. In this increasingly multi-generational workforce, there are more unique perspectives and contributions to observe and celebrate than ever before.

Your people are what make your company – and company cultures are diverse macrocosms that, with nurturing, have the opportunity to spark a positive ripple effect both inside and outside of the workplace.

To learn more about implementing the best ERG platform for your organization, connect with Espresa today!

About Espresa

Espresa is the world's first Culture Benefits™ platform that includes a suite of integrated tools with the next-generation experience that people love.

Recognition
+ Rewards

Employee
Resource Groups

Fitness
+ Wellbeing

Reimbursements
+ Allowances

Achievements

Meetings + Events
Scheduling

¹Knit Con, Inspiration from the inside out <https://newsroom.pinterest.com/en/post/knit-con-inspiration-from-the-inside-out>

²Workday VIBE <https://www.workday.com/en-us/company/about-workday/belonging-and-diversity.html>

³Great Place To Work: Workday <https://www.greatplacetowork.com/certified-company/1269734>

⁴Comcast: Supporting our Veteran Community <https://corporate.comcast.com/values/csr/2018/veterans>

⁵Google: Creating a more inclusive Google <https://diversity.google/commitments/>

⁶Pandora: An Update on Diversity and Inclusion <http://blog.pandora.com/us/an-update-on-diversity-and-inclusion-at-pandora/>