



# WORKSHOP REPORT

## EMPLOYEE RESOURCE GROUPS

FROM SOCIAL NETWORKS TO THINK TANKS



# BACKGROUND

Employee Resource Groups (ERGs) are voluntary grassroots employee groups that gather around a certain issue or cause in an organization to trigger change with a bottom-up approach. While fairly established in the US, it is a relatively new concept in the Asia-Pacific region. On 30th May 2019, given the interest expressed by members, the American Chamber of Commerce (AmCham) organized an interactive workshop on ‘Employee Resource Groups – From Social Networks to Think Tanks’ with a focus on the best practices around Diversity and Inclusion (D&I).

The session began with a fireside chat with Vikram Subrahmanyam, Managing Director and Sponsor of Citi’s Women’s Network at Citibank, Sarah McKensey, Head of D&I Asia-Pacific at Johnson & Johnson, and Chris Spendle, ASEAN HR leader at Mercer. The session was moderated by Natalie Marko Nietsch, Head of Asia Client Strategy at Citi and Co-Chair of Citi Sustainability Committee in Asia.

The fireside chat was followed by smaller breakout sessions, which discussed typical barriers that ERGs face and potential solutions to those barriers. Each group was provided with a specific scenario and target stakeholders, addressing the various stages and challenges of an ERG. The smaller groups then reconvened to share the key highlights of each breakout session, concluding with a Q&A session with experienced ERG heads and industry leaders.



# KEY TAKEAWAYS

- ERGs are more likely to succeed and be sustainable when they are driven by an aspirational goal centred around purpose.
- While the approach is largely bottom-up, the support, commitment and sponsorship of senior leadership is integral.
- Employee engagement is critical to the survival of ERGs, given that ERGs are largely voluntary in nature and are not linked to employee performance.
- To ensure that the ERGs get the resources they need, it is prudent to align them to the organizational goals and business interests.

# SCENARIOS: CHALLENGES AND POTENTIAL SOLUTIONS

The breakout sessions provided six specific scenarios, tackling a comprehensive list of challenges at various stages of an ERG with the key stakeholders integral to its success.

## SCENARIO 1: BUSINESS LEADER BUY-IN: THE VALUE CASE

The business leader is not familiar with ERGs and pre-occupied with a major organizational change. Their concern is around employee engagement and steady state customer focus and they do not see how an ERG launch will help this. How do you convince her/him of the value of ERGs?

### Challenge

The underlying issue is often awareness about the concept as well as the effectiveness of ERGs. Business leaders are often caught up in the ‘big picture’ and are not aware on how ERGs can help the organizational goals, and are often too busy to sponsor ERGs.

### Potential Solutions

At the organizational level, education and awareness of ERGs can help nudge the conversation in the right direction. In addition, framing it around the business case can go a long way, e.g. ERGs are an opportunity to glean insights on diverse customer perspectives, which in turn can grow business. Finally, understanding what motivates senior leadership i.e. what moves her/his heart is an important piece of the puzzle. Framing it around their purpose can lead to support from various strata of the company.

## SCENARIO 2: LIMITED RESOURCES

How do you get financial support when budgets are tight and many ‘non-business critical’ initiatives, including other ERGs, are competing for the same resources?

### Challenge

Budget cuts and lack of resources are often the inevitable reality of the business world. It is then hard to justify spending on initiatives that are not critical to the survival of the business.

### Potential Solutions

Build a ‘business case’ for the ERG by linking it to the organizational goals as well as the business interests to help address this issue. It is critical for ERGs to demonstrate their impact i.e. what can be achieved and what would not have been achieved if it wasn’t for the work of the ERG. This can be done by providing data and case studies on the positive impact of ERGs to business. Additionally, consider partnering with other initiatives to see if any synergies can be gained.

SCENARIO 3: STARTING OUT AND CREATING MOMENTUM

Female representation at senior levels in your organization is lacking. While the CEO talks about it, nothing has changed in recent years. You would like to set up an ERG to address this specific issue. Where do you begin, especially when your HR leader is skeptical?

Challenge

You don't have the buy-in of an integral stakeholder. Even worse, the skepticism could mean a block to the initiative.

Potential Solutions

Understanding the priorities of the key stakeholders is integral so that you can ensure your ERG purpose will address a shared need of the organization. In this case, the HR manager is likely to be nudged by research that has proved that D&I has a positive impact on the reputation of the organization, engagement and retention of employees, and access to a wider pool of candidates which ultimately supports a culture of innovation. All good for business!



SCENARIO 4: TRANSFORMING YOUR BRAND

Your ERG is losing momentum with the perception that it is a social club or CSR Committee rather than a think tank that adds value to the organization. Attendance for events is dropping. How do you revive the ERG with the disengaged employees?

Challenge

Given the voluntary nature of ERGs, keeping up momentum is often a challenge. With no added incentive, employees volunteering for an ERG need to feel engaged.

Potential Solutions

Approaching this challenge with a diagnostics mindset by examining why exactly people are no longer interested is the prudent first step. Often, this challenge is centered around purpose, which may require you to go back to the initial mission and problem statement. If the volunteers can identify with the mission and purpose of the ERG, which are ideally aligned with business interests, the employees are likely to remain engaged in the long run. It is also important that employees understand that connecting with the ERG can help him or her grow within the organization. Taking it a step further, is it possible to make the ERG 'purposeful fun'?

SCENARIO 5: MESSAGE AMPLIFICATION AND ENGAGING EMPLOYEES

Employees have heavy workloads and busy after hour commitments so there is reluctance to get involved in the ERG. How do you nudge them to move the ERG up in their priority list?

Challenge

Employees often question what is in it for them, and do not immediately see the value of the ERG. It feels like an added voluntary task that is not part of their job description and does not link to their performance appraisal.

Potential Solutions

The first step is to truly understand the needs of the employees by asking them questions on what they want out of the ERGs and analyzing the current ERGs. This can be done through surveys, but also supplemented by conversations with open ended questions to uncover what employees really need. ERGs can cultivate a culture of 'paying it forward' at the organizational level by nudging employees to think about what value can they bring to an ERG rather than what is in it for them. At the same time, ERGs should ensure that they can support employees in their personal and professional development. For example, ERGs can provide a platform to learn skills related to networking, presentation, leadership, mentorship and coaching. In addition, enhancing the entrepreneurial nature of ERGs, communicating with employees in innovative ways (rather than email) as well as engaging through personal stories can be powerful ways to invigorate an ERG. Lastly, the support of a sponsor or senior management is crucial to an ERG's success. Make sure that they attend the meetings whenever possible.

SCENARIO 6: PIPELINING FOR ERG SUSTAINABILITY

The ERG needs a new leader. While there is a strong committee member who is right for the job, she is unsure about the workload.

Challenge

The responsibilities associated with an ERG are often fluid. This can lead to an employee being concerned about how they maintain the quality of their work while delivering on their commitments to an ERG, especially if their manager does not support the ERG. The employee may also be concerned about being perceived as having light workload, given that they have the time to volunteer for other activities.

Potential Solutions

A clear leadership strategy and structure which taps into the support and sponsorship of management of the company as well as the senior members of the ERG can help address this challenge. Ideally, the company culture positively frames the voluntary ERG tasks as a testimony of managing and balancing different responsibilities i.e. good experience and skills for leadership roles. If the employee is worried about support from their boss, they or the ERG sponsor can talk to the boss directly regarding these concerns. It is very possible that it is not an issue at all. In addition, the ERG can consider an innovative leadership structure with a rotating head of the ERG with every meeting or every few months, or alternatively, multiple ERG heads who can step in as and when necessary. Lastly, the ERG should continue to ensure it is attracting and maintaining passionate and diverse members so that there is a pool of potential ERG leaders who can step up if needed.



# CONCLUSION

ERGs can be formidable tools in change management if they have purpose and organizational goals at the core, participation of empowered employees, sponsorship of senior management and a robust engagement plan including performance metrics. To be truly effective, they need to be strategic in approaching their mandate and value proposition by clearly defining what they intend to achieve for themselves as well as the organization, ultimately proving to be an indispensable asset that enables talent attraction, retention and business growth. With these key tenets at the foundation of their work, ERGs have the power to transform from being 'nice to have' social networks to 'must have' strategic think tanks that directly impact the bottom line of the business.

## KNOWLEDGE PARTNER



## AMCHAM WOMEN CHAMPIONS

