

The Power of ERG Influence: Reaching out to Drive Impact and Change

Fourth Annual Employee Resource Group Leadership Summit

The fourth summit started with a room full of individuals from around the United States, coming together to learn. The diversity of this group is reflected in their backgrounds, jobs (some are senior in careers and others are in their first job out of college), interests, and demographics. What everyone has in common is passion – a deep desire to make positive changes in their communities and in their organizations. This high sense of energy to take action was reflected in the presentations, the dialogue, and engagement in the program.

“We all have a purpose and mission to drive inequity and indifference out of the work that we do.” – Steven Rice, CHRO, Bill & Melinda Gates Foundation. Bill & Melinda Gates Foundation believes that every life has equal value. Bill and Melinda have worked over the years to make sure that core belief is evident to the population they serve. Steven Rice, CHRO of Bill & Melinda Gates Foundation, kicked-off the summit by sharing his personal journey and challenging the group to think about whether who you are on the outside reflects who you are on the inside. Steven has found that ERGs are the key within organizations to making sure that the organization’s core beliefs and what it stands for are clear to customers and others externally. Research shows that organizations that are able to create a culture in which who they are on the outside reflects who they are on the inside have a greater ROI from a shareholder value perspective (Firms of Endearment – Sheth, Wolfe, Sisodia, 2003).

CEO Affiliate Research Professor, Theresa Welbourne is leading the charge on research into the effect of ERGs in organizations. In March 2016 the fourth annual Employee Resource Group Leadership Summit, sponsored by Bill & Melinda Gates Foundation, AT&T, Blue Shield of California, Novo Nordisk, and Sony Pictures Entertainment, and in partnership with USC Marshall School of Business’ Center for Effective Organizations (CEO) and eePulse, provided a forum for networking and shared learning through presentations, panel discussions, and case studies. Over 160 executives from 40 high-ranking U.S. corporations gathered at the Bill & Melinda Gates Foundation in Seattle for the summit. Participants heard new ideas and processes used by successful employee resource groups (ERGs), shared their own ERG experiences, and learned from Bill & Melinda Gates Foundation CHRO, Steven Rice, Viacom VP, Global Inclusion Strategy, Anita Ortiz, influencer Gordon Graham, a panel of ERG Leaders, a panel of D&I Leaders, Theresa Welbourne, and CEO Executive Education Director, Lacey Leone McLaughlin.

The 2016 program’s focus was the power of ERG influence. The summit explored the power that ERGs have to influence growth and change. Our 2014 research found that ERGs are significantly influencing business and began to explore various ways that organizations can harness the power in their ERGs and steer the development of the business. We specifically focused on how ERGs could influence individuals within the group, in other ERGs, the business, and the community.

Anita Ortiz motivated the group to light a fire to influence. Fire can be both productive and destructive, so Anita gave us some strategies and cautions to help light the way. ERGs that influence create the opportunity to amplify voices, build community, and create opportunity. The critical components of influence that we learned from Anita are people, purpose, passion, persistence, and patience. ERGs that influence drive innovation, increase engagement, and create opportunity within the organization.

We brain-stormed together with three live case studies about how to make ERGs stronger influencers within the organization. We learned about the diversity and inclusion (D&I) strategies and ERG journeys of McKesson, Lenovo/Motorola, and Blue Shield of California through these case

studies. We dug into this space with two panels. Our D&I Leader Panel discussed strategies for implementing ERGs, guidelines for governance, outreach, directing ERG efforts toward organizational goals – aligning with organizational culture, dealing with the silo effect, engaging line managers and middle managers, working across global locations, understanding organizational culture, and how to show the business the value of ERGs. Our ERG Leader Panel explored driving employee involvement in ERGs, coordinating with people in different types of roles and locations, engaging and partnering with communities outside of the organization, leveraging D&I leaders and executive sponsors and how they support ERGs, and measuring engagement in ERGs.

Dr. Theresa Welbourne shared insights from a large body of research on ERGs. The data collected in this project has come from numerous organizations around the world, asking questions of both ERG members and, in some cases, non-ERG employees. Throughout the process, several topics were explored, and in this Summit, members are building on that work with the newest survey. To date, over 40 companies have participated; some send the survey to ERG leaders only while others include all ERG members. The ability to gather data across so many organizations, and include the numerous and diverse members of the various ERGs makes the results compelling and very applicable to most any company that might be interested in ERG work. The research has led to development of an ERG impact model, which was tested in last year's summit and now in the 2016 project. Some key conclusions from the work, excluding the new learning from 2016, are:

- ERG membership teaches employees new skills that they take back to their jobs.
- One such skill is innovation, and we have seen in numerous companies that ERG members who are involved with creative projects in their ERGs bring the confidence and skills back to the jobs and help their organizations by innovating and inspiring others to do so.
- ERG members are more energized at work, overall, than non-ERG members. This is a very interesting finding given that ERG work takes more time, and we were concerned about risk of burnout. However, we found the opposite. This is because employees are able to pursue things they are passionate about, and this contributes to energizing them overall.

Preliminary data from the impact model helped us talk a bit about how ERG leaders can quickly make positive changes in their ERGs. Overall, we have learned from the data that ERG work is not just about diversity and inclusion. ERGs provide a network by which employees are getting high-impact work done in their organizations. The Summit provided data, stories, examples and networking to allow everyone to head back to their jobs, companies, and ERGs with new ideas that they can start implementing right away.