

Leading Sustainable Global Change from Within: The Case of Environmental Employee Resource Groups

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Threats to the natural environment are a growing concern globally, and businesses are partnering to help achieve lofty goals set by world leaders. Reporting on the triple bottom line (affecting profit, people, and planet) in annual reports and in other venues is one way in which corporations have joined global actions that highlight the impact of business activities on society and the environment. In this article, we describe the ways in which organizational leaders are becoming active partners in environmental and sustainability agendas. In particular, we focus on the growing impact of employee resource groups (ERGs) as a bottom-up approach to making an environmental agenda an important part of plans for achieving greater business success.

GROWING AWARENESS OF SUSTAINABILITY ISSUES

The global call to action for environmental protection is decades old. In 1992, Rio de Janeiro hosted the first major conference on environmental sustainability in which thousands of governmental and nongovernmental participants crafted the Agenda 21, one of the first multicountry agreements toward focused sustainability. More recently, in 2015, the United Nations hosted a climate change conference that led to the Paris Agreement, which set actionable

goals in regards to greenhouse emissions. These conferences have demonstrated a commitment to change. However, despite moving largely past the discussion of global warming "deniers" or "believers," there is still considerable politicization of the issue and debate about the methodology through which governmental agencies and countries can ensure and accomplish change.¹

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Although most businesses may agree generally on the importance of advancing sustainability efforts globally, many see such actions as critical to their continued success. In 2011, Ernst Young, in collaboration with GreenBiz Group, published its findings from a survey of 272 executives of large organizations across 24 industries. Responses to the survey indicated that executives expect declining natural resources to affect their ability to complete their firms' central objectives. Due to this concern, environmental sustainability, which involves the preservation of the earth's natural resources, is increasingly being addressed through corporate responsibility and corporate sustainability initiatives. As

evidence of this growing corporate concern, CorporateRegister.com found that there has been an extraordinary increase in corporate responsibility reports published by organizations—from 26 published in 1992 to 5,593 reports published in 2010.² Macy's, for example, presented a 5-point plan on its website that detailed the company's commitment to the environment: (1) seek to eradicate wasteful actions by the company, (2) engage in sustainable solutions, (3) decrease reliance on scarce resources, (4) engage in a holistic approach to sustainability, and (5) track the company's success at meeting quantifiable goals of sustainability.

INTRODUCTION TO EMPLOYEE RESOURCE GROUPS

Given the serious nature of the environmental problem, many employees also have considerable interest in contributing to an organization's sustainability efforts. One useful mechanism for empowering employees to drive solutions about societal issues has been the formation of employee resource groups (ERGs). ERGs often are described as groups of voluntary employees, within the same organization, who come together on a relatively frequent basis to discuss and take action on issues that are relevant to their group. The members of an ERG are joined by common interests, and their activities are sanctioned by the company. Members work on both paid and unpaid time, are sponsored by leaders in the firm, and set goals that are published and are therefore held accountable for action.

ERGs evolved from early employee associations that developed in the 1960s in an effort to navigate the societal issue of

racial discrimination. In the 1960s, a series of race riots were breaking out across the United States as citizens fought for and against equality for all. In reaction to the first US race riot, in Rochester, New York, Xerox organized the first Black Caucus, whose goal was to battle overt discrimination and help create a fairer work environment.³ The caucus promoted its cause by engaging in activities such as community outreach programs and cultural awareness days, as well as working to change organization policies and practices.

Over time, the caucus concept evolved to become affinity groups, which were based on other demographics (e.g., women, Latino/Hispanic, and veterans). Affinity groups were expanded and renamed employee resource groups, which are based on demographics as well as common interests. The process of forming an ERG is organization specific, but generally a small, critical mass of employees interested in a specific issue approaches leadership about forming a group.

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ENVIRONMENTAL ERGs

According to a Mercer Consulting report (2011),⁴ one of the primary types of ERGs that has developed is focused on "environmental," "sustainability," or "green" issues (hereafter referred to as environmental ERGs). It is not surprising that ERGs focused on sustainability and the environment arose because many employees care deeply about the state of environmental problems. In the Ernst and Young survey mentioned above, executives stated that employees were one of the leading drivers of an organization's sustainability efforts.

Environmental ERGs have arisen in a variety of businesses, and they address a variety of activities, often reflecting the industry within which a firm operates. For example, an energy company in Southern California has an environmental ERG that partnered with a nonprofit organization to complete a community solar project.⁵ In addition, The Denver Foundation, which is committed to strengthening Denver's community, has an environmental ERG whose mission is to "create a network of informed, engaged, and effective environmental philanthropists to identify, promote and support outstanding environmental action on a wide range of issues in Colorado."⁶ This group has focused primarily on education about environmental sustainability topics. These two examples demonstrate how environmental ERGs efforts can fit into an organization's broader business objectives.

Many organizations view the efforts of their environmental ERGs as part of the organization's broader sustainability initiative. For example, American Airlines highlights in its corporate social-

responsibility reports how ERGs are critical to the company's commitment to providing community support.⁷ Since 2011, the company's ERGs have been involved in fundraising to help those affected by the earthquake and tsunami in Japan and also to support American Airlines sustainability efforts, such as promoting "living green" practices, sponsoring events that promote sustainability, and hosting a Facebook group that advocates for environmental sustainability. Macy's, as mentioned earlier, is striving for environmental sustainability and has included the organization's environmental ERG in its comprehensive sustainability initiative. The Macy's Go Green Employee Resource Group's mission is to "help educate and create awareness around topics of sustainability" and is mentioned as part of the company's green-living initiative.⁸

LEARNING FROM ERG MEMBERS

Although most large organizations today have ERGs in some form, there is very little research or even documented case studies on the topic. It seems to be an area of study that has fallen through the cracks in the academic and practitioner worlds. In order to help fill the void in knowledge, Dr. Welbourne and a team of researchers at the University of Southern California's Center for Effective Organizations began an annual ERG Leaders Summit event. This two-day program brings together ERG leaders, executive sponsors (internal leaders of the company), as well as diversity and inclusion personnel to explore topics important to ERGs. As part of this program, Dr. Welbourne conducts surveys with the ERG members associated with the groups participating in the summit.⁹ Some of the high-level findings from the survey

of members of environmental ERGs are described below.

Each year the survey gathers data from about 1,000 people, all of whom are members of various ERGs across numerous organizations. The sample we use for this short review is from about 120 members of environmental ERGs. We have data comparing their results to other types of ERGs; in total, we aggregated the ERG types to nine: Asian/Asian-American Experience Networks; Black/African American Networks; Hispanic/Latino Networks; Indigenous/Native American Networks; Generational Networks; Health/Wellness/Disability Networks; Veteran Networks; Women's Networks; and Environment/Sustainability Networks. Note that there are other company-specific networks making up other variations of these (e.g., women in technology); however, for purposes of our study, all the various ERG types were grouped into one of the above accordingly. The survey explored quite a few areas, and there is not ample room here to go into detail; therefore, our goal is to showcase some highlights to aid in the learning about the environmental ERGs. We first review the comment data, and then we report on some of the quantitative data.

Not surprisingly, many of the members of environmental ERGs noted that they joined the group because they value sustainability and want to promote a sustainable work environment. For example, one respondent commented, "I joined because I think it's important to get more employees exposure to the principles of sustainability." In addition, some members desire for their organization to be more active in sustainability efforts, with one respondent remarking, "I want to contribute to the efforts of making our campus more sustainable and reducing our

carbon footprint. It is my hope that more people will get involved and more support will be provided by upper management." One of the leaders of an environmental ERG expressed a desire to change the culture of waste at the organization and viewed the ERG as the best way to do so.

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Raising Awareness

Key ways that environmental ERGs are making a difference in the world are through awareness and advocacy. These efforts can be focused internally or to the general public. For example, one of the activities of an environmental ERG at a Fortune 500, multinational company targeted fellow employees. Members of the ERG built a tower out of the used Styrofoam containers in the company's cafeteria in order to encourage more employees to use reusable silverware and plates. This same ERG also takes its efforts public by engaging in an expansive promotional campaign of Earth Month each April. In combination, it is hoped that these efforts will affect change, both in the daily choices of the company's employees and in the public's awareness to protect the planet.

Collaboration Is Key

There is still work to be done in getting the word out about the positive efforts of these ERGs in order to maximize their effectiveness. For example, one environmental ERG member at a well-known banking company commented, "Up until

recently, we'd not embraced social media, so the world never really knew what we were doing to support the environment and how involved employees were at a global scale. I believe we need to continue to take this one step further and promote in advance the projects we are involved in, not just report out on our accomplishments." In other words, the key to successful sustainability efforts by environmental ERGs is to collaborate with other sustainability efforts that are happening in the community. ERG participants are eager to give back to the community and advance their community's sustainability efforts.

Sustainability Requires Engagement

The public awareness of ERGs that promote environmental stability can also help employees feel more connected to their community. For example, an environmental ERG member remarked, "I am proud of what the organization does on a global level. It makes me want to be a better, more engaged employee. The ERGs help me to feel connected not only to my fellow employees, but also to others well beyond our organization." When asked why they joined an ERG, one member responded, "The ability to network and partner with colleagues and external organizations to make an impact in our community through philanthropic initiatives. ..." Thus, organizations that promote sustainability efforts through their ERGs also benefit their employees by creating a greater sense of community and increasing their engagement in their job.

What the Numbers Tell Us

Examining the survey findings, and comparing the environmental ERGs with the

other eight studied, there is one pattern that arises. The environmental ERG members seem to have very high levels of confidence in the company leadership overall, and confidence in their ERG leadership is on par with that expressed by other ERG members. However, at the same time, they provide lower scores than the other groups on the type of impact their ERGs are making on the company as a whole. The one area where they do seem to perceive making a noticeable impact is on the culture of their own company (versus external stakeholders). The pattern of data suggests that the goals for environmental ERGs may be harder to attain than are the objectives of many other ERGs. The confidence in leadership is not surprising in that not all firms have environmental ERGs, and perhaps the mere existence of them plays into members having positive perceptions of top leadership. Also, the lower scores on impact may be associated with lofty goals set on affecting the environment as well as the difficulty in tracking the outcomes of advocacy efforts. As several of the survey members mentioned, many of the activities of environmental ERGs have to do with raising awareness and advocating for increased sustainability efforts, both by organizations and by individuals. These advocacy efforts may be having a profound effect on individuals as well as sparking conversations of sustainability at the organizational level; yet members of an environmental ERG are unlikely to see this impact, at least in the short term.

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THE IMPACT OF ENVIRONMENTAL ERGs AND HR'S ROLE

ERGs that focus on sustainability and environment appear to do two key things that contribute to sustainability. First, they help the organization focus on an important agenda in a new way. Rather than relying on traditional efforts of corporate social responsibility, these ERGs provide an opportunity for employees that are passionate about sustainability to lead the organization's charge in this area. Second, by providing a group that promotes sustainability, the organization provides employees with the ability to bring more of themselves to work. Employees who value the environment and desire to see their organizations promote sustainability are more engaged and energetic when they are pursuing something they are passionate about.

ERGs are, in most cases, managed or governed through the diversity and inclusion function, which is most often part of the HR management department. With the onset of ERGs focused on the environment, HR has an opportunity to help rally employee support for an important business goal that has not traditionally come under the reach of most HR groups. Companies with environment-focused ERGs seem to have high levels of top leadership support, and combined with help from the HR group, perhaps meeting shorter-term, company-specific goals, can be a path toward keeping

the positive momentum that these ERGs are starting to raise.

NOTES

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9. For more information on the ERG summit and survey, go

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