

CASE STUDY

# How FINRA Built a Sustainable Employee Resource Group Program Through **Diversity Best Practices Membership**

# Seeing Increased Effectiveness of ERGs Through DBP Membership

## The Financial Industry Regulatory Authority (FINRA)

- **About:** FINRA is a not-for-profit self-regulatory organization authorized by federal law to help protect investors and ensure the fair and honest operation of securities markets. FINRA regulates the activities of US broker-dealers and monitors US securities markets.
- **Challenge:** FINRA originally had a suite of work/life programs with a regional focus in place but wanted a national strategy to better support their 3,700 employees. Building upon their current infrastructure, they set out to develop a more in-depth program that focused on the holistic workplace culture, not related to geography or roles within the organization.
- **Solution:** By leveraging DBP resources, best practices, and advisory services, FINRA developed a strong governance model that allowed its Diversity Leadership Council to execute an effective and impactful ERG strategy that provides development and engagement for all employees.
- **Impact:** FINRA has created and sustained 10 ERGs within the past 10 years, garnering the participation of 50 percent of its employees. These ERGs are well-structured and provide collaboration, professional development, and support in times of crisis.

### Impact Highlights

50%

Percentage of FINRA employees who participate in an ERG

10

The number of ERGs created over the last 10 years

15,000

Professional development touchpoints delivered to FINRA's employees

## Seramount Helps FINRA Staff Develop a Successful ERG Program

By leveraging Seramount's resources, insights, and advisory services, **FINRA developed the foundational strategy for a strong Diversity Leadership Council** that would support the implementation of Employee Resource Groups throughout the organization. The Diversity Leadership Council met with employees to better understand their needs and what they wanted out of an ERG program and designed a structure and processes that would ensure holistic, national success.



Each ERG has the same budget and is required to have a clear business plan, accountability measures in place, and an executive sponsor.



ERG leaders must participate in mandatory professional development opportunities. Participation can lead to sponsorship and mentorship opportunities, developing a strong pipeline program.

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“Without DBP, we wouldn't have the structure in place to support the mature programming we now have or concrete goals and accomplishments. If we had not taken the time to learn through the resources that DBP provided, we could have easily had fits and starts.”

Audria Pendergrass Lee, Vice President, Talent Acquisition and Chief Diversity Officer

FINRA

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## FINRA's Employee Resource Groups Lead to Career Advancement

Since launching their Employee Resource Group strategy, **FINRA has seen an uptick in the career advancement of employees from underrepresented groups.** The ERGs help create a more inclusive work environment by allowing employees to lead or participate in activities that have an organization-wide impact and directly support FINRA's commitment to attracting, retaining, and engaging top talent. Participation in ERGs has allowed employees to learn new skills and gain exposure to senior leaders, which has given them visibility into new opportunities.



**50%**

of FINRA employees participate in an ERG today

**70%**

ERG Management Committee members are **70% less likely** to leave FINRA compared to non-ERG members

**30%**

ERG Management Committee members have had **30% more career movement** (internal mobility) within FINRA compared to non-ERG members

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My experience with FINRA's Women's Network (FWN) allowed me to learn valuable skills that were not always available in my day job. I managed large-scale projects, participated in public speaking opportunities, and gained exposure to colleagues and leaders in various business lines and geographic locations. When it came time to interview for a management role, I used my FWN experiences to help illustrate how I had gained the knowledge needed to lead a team. I had already done it through FWN! My work with an ERG gave me the confidence I needed to apply for stretch roles and opportunities. I will forever be grateful for the experience.”

Kayte Toczyłowski, Vice President,  
Member Relations and Education

FINRA

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