

# ERG GUIDEBOOK

## EXECUTIVE SUMMARY

A SPECIAL EDITION OF SERAMOUNT'S ERG LEADERSHIP HANDBOOK  
DEVELOPED IN PARTNERSHIP WITH OPEN TO ALL, SERAMOUNT AND MICHAEL KORS



In an ever-evolving global workplace, the significance of Employee Resource Groups (ERGs) cannot be overstated. These groups have emerged as powerful catalysts for transformative change, benefiting both employees and their organizations.

As the global workplace undergoes significant changes due to technological advancements, shifting political dynamics, and evolving generational attitudes, ERGs are more critical than ever. In recent years, their role has taken on increasing importance, contributing to talent recruitment, retention, and development, while also providing invaluable insights into diverse communities and innovative solutions to complex business challenges.

This document serves as an executive summary of the larger resource – **ERG Guidebook: A Special Edition of Seramount’s ERG Leadership Handbook**. The comprehensive guidebook has been meticulously crafted to bolster organizations in the initiation or expansion of their ERG programs. By providing a diverse array of tools, templates, and examples, this resource is designed to serve as an invaluable companion throughout every organization's unique ERG journey.

Whether you are just starting your ERG program or seeking to enhance its effectiveness, this guidebook stands ready to guide you at every step, ensuring that ERGs become powerful drivers of positive change, both internally and in the wider world.

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# A. COLLABORATION INTRODUCTION

THIS GUIDEBOOK WAS DEVELOPED IN PARTNERSHIP WITH:



seramount

**MICHAEL KORS**

## OPEN TO ALL

Open to All® is a nonprofit nondiscrimination program that believes everyone should be welcome regardless of race, ethnicity, national origin, sex, sexual orientation, gender identity and expression, immigration status, religion, or disability. Open to All works with nonprofit partners and corporate partners to advance diversity, equity, and inclusion (DEI) initiatives, including the Inclusive Retail campaign and the Mitigate Racial Bias in Retail Charter. By convening nonprofit members of the civil rights community and DEI leaders, Open to All develops resources and trainings, as well as ongoing programming, to support businesses large and small to be truly Open to All. Open to All is a member of the Leadership Conference on Civil and Human Rights.

Employee Resource Groups (ERGs) have been proven to deepen employee engagement and a sense of belonging. However, managing ERGs can be complex and require cross-departmental collaboration to successfully implement and maintain a thriving, impactful program. Within the Open to All community, ERGs are a frequent topic and the need for a resource that offers guidance and strategies was clear. Thanks to the generosity of Michael Kors, whose DEI team brought in Seramount as an invaluable resource, we collaborated to create this special edition of Seramount's ERG Leadership Handbook, which includes case studies of Open to All members to deepen ERGs in retail environments.

This edition of the Handbook was developed exclusively for Open to All and Seramount members, and as ERGs continue to evolve, we will update the resource to include new best practices and guidance. Open to All is deeply grateful to Michael Kors for their leadership and investment in this work.

## SERAMOUNT

Seramount is a strategic professional services and research firm dedicated to supporting high-performing, inclusive workplaces. Over four decades, we've established a strong, data-driven understanding of the employee experience, which lays the groundwork for everything we do. Seramount partners with over 450 of the world's most influential companies, large and small, to offer pragmatic solutions including best practice DEI research, workplace assessment, employee learning and development, and talent sourcing. These offerings empower organizations to navigate a dynamic corporate environment and to cultivate a resilient, connected workforce that achieves extraordinary outcomes.

## MICHAEL KORS

Michael Kors is a world-renowned, award-winning designer of luxury accessories and ready-to-wear. Established in 1981, the company currently produces a range of products under the signature Michael Kors Collection, MICHAEL Michael Kors and Michael Kors Mens labels. These products include accessories, footwear, watches, jewelry, women's and men's ready-to-wear, wearable technology, eyewear and a full line of fragrance products.

Michael Kors stores are operated, either directly or through licensing partners, in some of the most prestigious cities in the world, including New York, Los Angeles, Chicago, London, Milan, Paris, Munich, Dubai, Seoul, Tokyo, Hong Kong, Shanghai and Rio de Janeiro. The company prides itself on hiring and retaining diverse talent and providing an inclusive work culture for all, while celebrating global events and cultures that reflect the diversity, experiences, and perspectives of people around the world.

We want to not only ensure Michael Kors is a safe, supportive, and inclusive environment for all, but are also deeply committed to driving inclusion and belonging beyond our workplace. With this in mind, we are proud to co-author this edition of the ERG Guidebook. Through ERGs, we're able to empower our employees with support, mentorship, and a safe, judgment-free forum for employees to express themselves, share experiences, and promote peer allyship. We are proud of our commitment to diversity, equality, and inclusion, and will continue to advance these principles through meaningful short and long-term actions across the globe.

# B. THE BUSINESS CASE FOR ERGS

Employee Resource Groups (ERGs) have become integral components of modern workplaces, representing a paradigm shift towards fostering inclusivity, diversity, and belonging. These voluntary associations, also known as affinity groups or employee networks, bring together individuals based on shared characteristics, interests, or experiences. ERGs serve as dynamic platforms where employees from various backgrounds can connect, collaborate, and support one another.

By providing spaces for dialogue, mentorship, and advocacy, ERGs contribute to creating a culture of respect and empowerment within organizations. These groups play a vital role in addressing systemic barriers, amplifying underrepresented voices, and driving positive change towards a more equitable and inclusive work environment. From promoting professional development to enhancing employee engagement and retention, ERGs are catalysts for organizational success.

## THREE KEY TYPES OF GROUPS

**AFFINITY GROUPS:** Social spaces where people with a shared identity can meet and discuss common issues.

**EMPLOYEE RESOURCE GROUPS:** More structured and usually focused on recruitment, education, and advancement efforts within the workplace and are usually affinity-based.

**BUSINESS RESOURCE GROUPS:** Like ERGs, but tied to business goals, including internal goals and marketplace goals. Have specific metrics that are often linked to leaders' performance evaluations. Often affinity based.

## RATIONALE FOR ERGS:

- **Diversity & Inclusion:** ERGs promote diversity, equity, and inclusion by connecting employees of diverse backgrounds, fostering belonging, and amplifying underrepresented voices, leading to a more engaged and innovative workforce.
- **Talent Attraction:** Organizations embracing ERGs attract a diverse candidate pool and benefit from referrals, reducing recruitment costs.
- **Innovation:** Diverse, psychologically safe teams in ERGs generate fresh ideas and robust problem-solving, providing a competitive edge.
- **Customer Insights:** ERGs offer deep community insights, helping tailor products, services, and marketing for a broader audience.
- **Employee Development:** ERGs facilitate skill-building, leadership development, and mentorship, preparing members for broader responsibilities.
- **Enhanced Reputation:** Supporting ERGs enhances an organization's image, attracting like-minded investors, partners, and clients.
- **Employee Well-being:** ERGs foster a sense of community, psychological safety, and emotional support, improving mental health and job satisfaction while reducing burnout.



Offering Employee Resource Groups isn't just a matter of corporate social responsibility—it's a strategic imperative that aligns with business goals. By cultivating a diverse, inclusive, and engaged workforce through ERGs, organizations stand to reap benefits ranging from improved innovation to enhanced talent acquisition and retention.

# C. STARTING OR EXPANDING ERGS

Before launching or expanding ERGs in your organization, it's crucial to assess readiness. This hinges on the development of your Diversity, Equity, and Inclusion strategy and the level of senior leadership support. Without these foundations, ERGs may be perceived as mere "clubs" with no real mission or alignment with business objectives.

The ERG guidebook that we created has a ton of information about what it takes to start and expand ERGs. This chart shows a progression from developing a foundational ERG to a dynamic one that is utilized as a business resource.<sup>1</sup>



<sup>1</sup> ERG Progression Model - Jennifer Brown Consulting

## KEY FACTORS TO EVALUATE READINESS INCLUDE:

- Assessing DEI progress, especially in terms of formal structure, financial support, and senior leadership involvement.
- Identifying allies across all levels of the organization and garnering support for ERGs' value in different sectors of the business.
- Collecting essential data to build a business case for ERGs, including external benchmarking and their direct relevance to your company's business goals.

## CONSIDERATIONS DISCUSSED IN THE GUIDEBOOK INCLUDE:

- Determining readiness
- Gaining support of stakeholders
- Purpose and structure
- ERG Charter
- Crafting a Mission
- 4Cs – Career, Culture, Commerce, Community<sup>2</sup>
- Assessing your business plan



<sup>2</sup> Employee Resource Group Consulting and the 4C Assessment Model - DRR Advisors

# D. ORGANIZATIONAL STRUCTURE OF ERGS

In most, but not all organizations, DEI departments have oversight of ERGs. This means one person is usually put in charge of overseeing ERGs, which means ensuring they are structurally sound (missions, charters, executive sponsors, officers, goals, regular meetings, etc.) and that they are working to meet stated goals and functioning within the company culture. This last point is important because sometimes overly enthusiastic ERG leaders can go on their own paths and that may not always fit with established organizational procedures or the greater goals of the business. The DEI department often will share the ERG's progress with the DEI council and/or senior leadership on a regular basis. And the department also will facilitate intersectionality/cooperation between the different ERGs to work together on organizational goals.

Creating an ERG is a multifaceted, cross-disciplinary endeavor that calls upon a diverse range of talents from various internal organizations and functional areas. Typically, the ERG leadership team comprises an Executive Sponsor and two Co-Leads, along with additional supporting roles.

The ERG leadership team should consist of individuals who possess qualities such as astuteness, creativity, inquisitiveness, and analytical thinking, as they will be required to demonstrate leadership, strategic DEI planning, management, organization, marketing, and communications skills. Furthermore, they should exhibit political acumen to navigate the competing demands of various stakeholders. This team should leverage its creativity and insight to design a program tailored to the organization, its members, and the industry, even welcoming input from critics.



The success of ERGs hinges on the effectiveness, commitment, and expertise of four key groups of people:

- 1. Executive Champions and Sponsors:** These individuals bridge the gap between the ERG and the executive committee. They articulate the ERG's value to the company, secure resources, and facilitate the integration of ERG programs with the corporation's priorities.
- 2. Officers:** ERG officers are responsible for the day-to-day management of the group. They align ERG activities with its mission and oversee efforts to meet members' expectations.
- 3. Members:** ERG members play a critical role in implementing the group's strategies. They model behavior consistent with the ERG's mission and take personal responsibility for actively contributing time, energy, and insights to drive ERG success.
- 4. DEI Team:** The DEI Team provides strategic and financial support to ensure alignment with organizational and DEI missions. Their backing is instrumental in achieving ERG goals.

## **KEY CONSIDERATIONS FROM THE GUIDEBOOK FOR AN EFFECTIVE ORGANIZATIONAL STRUCTURE:**

- Founding leadership team responsibilities
- Building the team and finding an executive sponsor
- ERG leadership onboarding
- Building the team and finding an executive sponsor
- Executive sponsor expectations, commitment, and responsibilities
- ERG co-lead expectations, commitment, and responsibilities
- ERG leadership succession planning and transition
- Supporting leadership roles and responsibilities

# E. ERG LEADERSHIP COMPENSATION, REWARDS & RECOGNITION

## ERG LEADER INCENTIVE AND REWARD PROGRAMS

The additional responsibility of ERG leadership, separate and apart from ongoing job responsibilities requires attention, deliberate actions, and ingenuity to create the incentives necessary to keep ERG leaders engaged and committed.

There are a number of best practices to reward ERG leaders for their efforts and many organizations are choosing to recognize ERG leaders in different ways. However, determining the right compensation model for these leaders can be complex.

### SERAMOUNT'S 2023 INCLUSION INDEX KEY FINDINGS:

**67%** OF EXECUTIVE SPONSORS HAD THEIR EFFECTIVENESS WITH THEIR ERGS CONSIDERED DURING ANNUAL PERFORMANCE REVIEW.

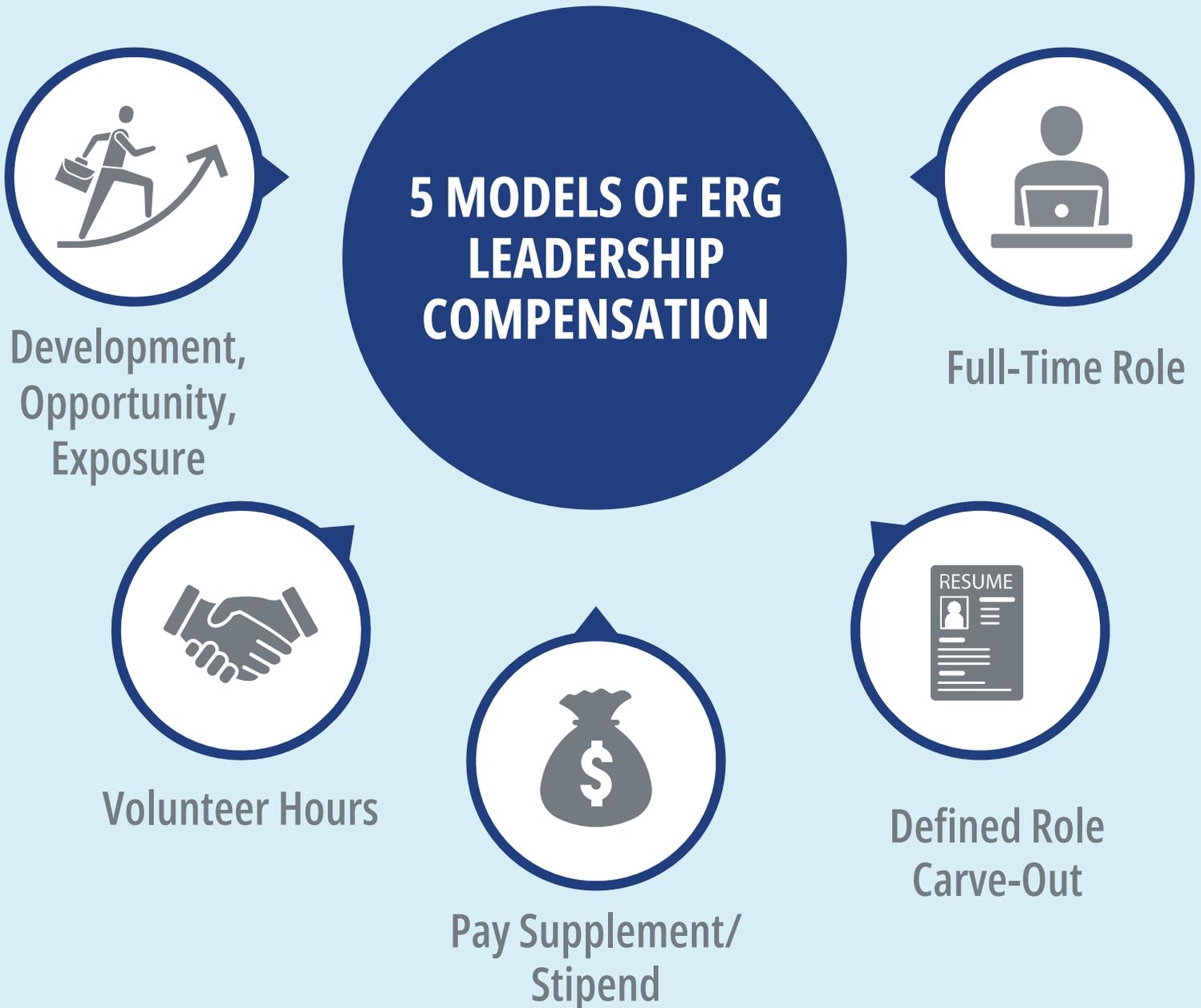
**88%** OF COMPANIES OFFER LEARNING AND/OR TALENT DEVELOPMENT PROGRAMS FOR ERG LEADERS.

**90%** OF ERG LEADERS HAD THEIR POSITION CONSIDERED DURING AN ANNUAL PERFORMANCE REVIEW.

**59%** OF COMPANIES FACTOR AN EMPLOYEE HOLDING AN ERG LEADERSHIP POSITION INTO THE SUCCESSION PLANNING PROCESS.

**78%** OF COMPANIES FACTOR AN EMPLOYEE HOLDING AN ERG LEADERSHIP POSITION INTO CAREER-PATH PLANNING.

Recognizing the additional efforts of ERG leaders is not only a best practice but also a strategic action that many organizations are increasingly adopting. Based on research in **Seramount's Benefits, Boundaries, and Burnout** insight paper, five models of ERG leadership compensation have been developed: Development, Opportunity, Exposure; Volunteer Hours; Pay Supplement or Stipend; Defined Role Carve-Out, or Full-Time Role.<sup>3</sup>



<sup>3</sup> ERGs at the Crossroads: Benefits, Boundaries, and Burnout

# F. ERG RECRUITMENT, RETENTION AND DEVELOPMENT

Recruiting members is essential to an ERG's success, as it lays the foundation for growth, development, and achievement. A robust and engaged membership base infuses fresh perspectives, fuels innovation, and drives the group's ability to effect meaningful change within the organization. As the ERG expands, its collective knowledge and influence grow, enabling it to make a more profound impact on company culture and policies. Retention is equally vital; engaged and committed ERG members not only contribute to a supportive community but also act as advocates for positive change within the organization. Retaining members helps sustain the group's momentum, leading to long-term impact.

## MEMBER VALUE PROPOSITION

1. **Belonging:** Members join a community of like-minded individuals who understand and support their unique experiences, fostering a sense of belonging within the organization.
2. **Networking:** They connect with a diverse network of professionals across different departments and levels, expanding their personal and professional connections.
3. **Professional Development:** Access to exclusive workshops, mentorship programs, and skill-building sessions allows members to advance their careers and leadership skills.
4. **Leadership Opportunities:** Members have the chance to take on leadership roles within the ERG and contribute to meaningful initiatives that impact the organization.
5. **Advocacy:** Participation in advocacy efforts empowers members to influence diversity and inclusion policies within the company.
6. **Cultural Celebration:** Engagement in cultural celebrations and educational events promotes understanding and appreciation of diverse backgrounds and perspectives.
8. **Personal Growth:** Members can enhance their cultural competence and empathy, fostering personal growth and enriching their worldview.
9. **Visibility:** Active participation in ERG initiatives allows members to gain visibility within the organization, showcasing their commitment to diversity and inclusion.

Overall, a strong membership base creates a sense of community and belonging, creating an environment where members feel supported and empowered. Ultimately, member recruitment propels the ERG towards success, allowing it to flourish, innovate, and contribute to a workplace culture that values diversity and embraces change.

Our guidebook provides guidelines provide best practices and recommendations to enhance the membership experience.



## TIPS TO MAXIMIZE PARTICIPATION AND MAINTAIN MOMENTUM

**Responsibility:** Show your employees you trust them by giving them responsibilities that allow them to grow. Even if a member may not hold a leadership role, allowing them to assist and take on more responsibility will make them feel more included.

**Respect:** Create a positive, inclusive, welcoming, and safe space. Employees want to know they are respected and appreciated. Make it a priority to show outward respect for ERG members. This will create positive experiences.

**Recognition:** Recognition in front of the ERG and company can contribute to the positive culture of the company and can be good morale builders as well for members of the ERG.

# G. ERG EVENTS AND PROGRAMMING

Overall, ERG events and programming serve a vital purpose within companies, contributing significantly to employee engagement, DEI efforts, and organizational growth. These initiatives are a cornerstone of modern workplaces, fostering a sense of community, professional development, and collaboration among employees.

From a professional standpoint, ERG events and programming contribute to skill development and career advancement. Workshops, seminars, and mentoring sessions organized by ERGs provide opportunities for employees to enhance their skills, network, and receive guidance from more experienced colleagues. This directly aligns with the company's interest in nurturing talent and promoting leadership from within.

They also offer a platform for employees to connect on a personal level, bridging gaps between different backgrounds, cultures, and experiences. By creating spaces where employees can share their stories, perspectives, and challenges, ERGs facilitate open dialogues that enhance understanding and empathy among colleagues.

Additionally, ERG events reflect a company's dedication to social responsibility and community engagement. By participating in events that support social causes, such as volunteering, charity drives, or educational initiatives, employees and the organization at large contribute positively to the broader community, strengthening the company's reputation.



**Calendar of Events:** An ERG calendar of events is a vital tool for orchestrating impactful initiatives that promote diversity, inclusion, and professional growth. This calendar provides a structured roadmap, ensuring well-paced and well-planned activities throughout the year.

ERGs need a well-curated calendar to streamline efforts and maximize their impact. It offers clarity on event schedules, preventing overlaps and ensuring consistent engagement. The calendar also helps ERGs align their activities with key dates, awareness months, and organizational priorities, ensuring relevance and resonance. By strategically planning events, ERGs can effectively allocate resources and create a cohesive narrative that supports the broader organizational goals.

Crafting an effective Employee Resource Group (ERG) calendar of events requires thoughtful planning and adherence to best practices. Start by aligning events with the group's mission and organizational objectives, ensuring each activity contributes meaningfully to the 4C goals. A few considerations when building a calendar of events:

- **Diversity in event types is crucial.** Balance educational workshops, networking sessions, and social activities. Consider the preferences and availability of your members when scheduling events, accommodating different time zones and work schedules.
- **Collaboration is key.** Involve ERG members in event ideation and planning to ensure events resonate with their interests and needs. Set realistic timelines to avoid event fatigue and allow sufficient time for promotion and participation.
- **Maintain consistency in communication.** Promote events well in advance through various channels, leveraging internal platforms, email, and social media. Provide clear instructions and consider hybrid or virtual options to accommodate remote members.
- **Regularly evaluate the calendar's effectiveness.** Gather feedback, track attendance, and assess event impact. Use these data to refine future planning, ensuring your ERG calendar remains dynamic, engaging, and aligned with the evolving needs of your members and the organization.

# EXAMPLES OF ENCOURAGED ERG ACTIVITIES

- **Represent the Organization at Community Events:** 72% of Open to All businesses that completed the ERG Survey partner with nonprofits to engage in community service. This can take a lot of forms, from marching at a Pride parade under the company's logo to volunteering at a cultural festival. Representing the organization in the community can build goodwill.
- **Assist with Diverse Recruiting Initiatives:** ERG members can use their own networks and perspectives on effective ways to recruit new talent from within their communities. ERG's presence at recruiting fairs can help further demonstrate a company's commitment to DEI.
- **Increase Cultural Competence:** ERGs can hold informal talks, panel discussions, Q&As, AMA (ask me anything) sessions, focus groups, or cultural celebrations at work to increase the cultural competence of the organization. Groups with larger budgets could sponsor invited speakers.
- **Accelerate Connections:** ERGs can serve as a resource for new diverse hires, connecting them with social opportunities and local recommendations, and acting as informal mentors with unique insights into the needs of new employees with a shared background. This may be particularly useful for younger employees or those relocating from distant locations.
- **Support Each Other:** ERGs can support each other, partnering together to hold panels, conduct crossover events, and share best practices. Many groups will find common ground and similar workplace needs. This partnership is particularly crucial for new groups. ERGs can work together to hold welcome events on a regular basis to reach out to new talent, or hold an ERG Day, in which all an organization's ERGs collaborate on an event to highlight diversity and inclusion.
- **Advocacy:** ERG members can play a role in advocating for both internal and external policy changes. Internally, ERGs can be consulted when creating or overhauling benefits and policies. An internal example of this is a company consulting their Parents ERG before updating their paid family leave policy.

# H. METRICS AND MEASUREMENT

Measuring the effectiveness of ERGs through metrics is a strategic imperative for companies. These metrics provide valuable insights into the impact of ERGs on various aspects of the organization. By quantifying engagement, participation, and outcomes, companies can demonstrate a commitment to transparency, accountability, and continuous improvement in their DEI efforts. ERG metrics enable organizations to track progress toward diversity goals, ensuring that initiatives are aligned with business objectives. By understanding what works and what needs refinement, companies can fine-tune their ERG strategies for maximum impact. Additionally, metrics help identify potential barriers to participation or engagement, leading to targeted interventions that foster inclusivity and equitable representation.

## METRICS SERVE AS A VITAL TOOL FOR YOUR ERG TO:

- ✓ Meet the needs of stakeholders.
- ✓ Ensure accountability.
- ✓ Demonstrate how it is contributing to to workforce needs including recruitment, retention, engagement, leadership development, and productivity.
- ✓ Show how it is raising marketplace awareness of the organization.
- ✓ Demonstrate community support through contributions to supplier diversity and targeted philanthropy.
- ✓ Verify that it is advancing the company's strategic plan and mission.

## TWO KEY FACTORS TO REMEMBER WHEN USING METRICS:

**Use Metrics You Already Have:** For example, if you want to see how your ERG is contributing to leadership development, measure which existing leadership or high-potential programs your ERG members were asked to attend and their rates of promotion vs. the general population.

**Benchmark Internally and Externally:** Benchmarking enables your ERG to evolve, quantify its contributions to the business, measure itself against other ERGs, and break free of habits and practices that have outlived their usefulness.

# I. ANNUAL ACTIVITIES FOR ERGS

An annual ERG strategy session holds immense importance in driving the success of the group. This session serves as a **dedicated forum for ERG leaders to assess progress, set goals, and outline strategic initiatives** for the coming year. The annual ERG strategy session facilitates clear communication, provides direction, and empowers to make a tangible impact.

ERG and DEI leaders need to meticulously plan this session to ensure its effectiveness. They should analyze data from the previous year, identifying successes, challenges, and areas for improvement. The session offers an opportunity to **align ERG goals with the organization's broader objectives**, ensuring a cohesive approach.



Proper planning of the annual strategy session is essential as it establishes a clear roadmap. Thoughtful agenda-setting, involving key stakeholders, and outlining measurable objectives facilitate a purposeful discussion. Leadership should also **consider inviting ERG members as a way to foster cross-collaboration**, gather input, and build a sense of ownership and commitment. This enables ERG leaders to make informed decisions, allocate resources effectively, and drive impactful change within the organization.

Overall, the strategy session is key in facilitating clear communication, providing direction, and empowering ERGs to make a **tangible impact on organizational culture, recruitment, and business outcomes**. In this meeting, you should link metrics to the strategic plan and determine budget.

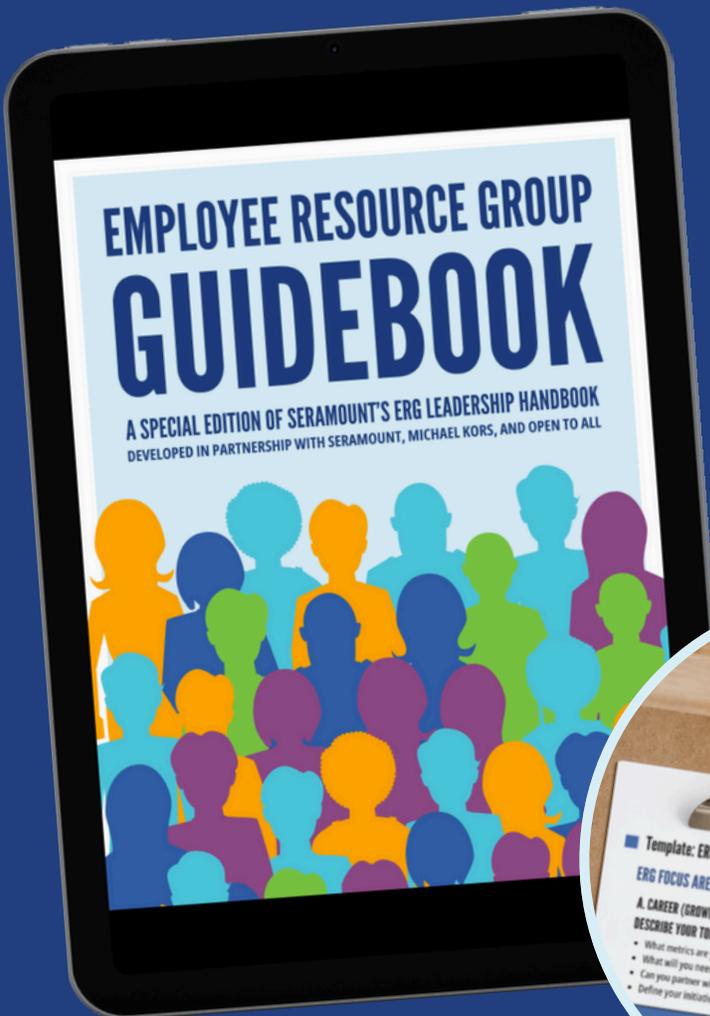
# J. CONCLUSION

Employee Resource Groups are not just employee collectives; they are dynamic forces for change and unity. This ERG guidebook is an invaluable resource for organizations aiming to establish and maintain thriving ERGs, fostering a more inclusive and diverse workplace.

Our guidebook meticulously outlines the key elements of ERG creation, management, and growth, offering a comprehensive roadmap for success. By applying the insights and strategies provided, organizations can harness the collective strength of their ERGs to promote diversity, equity, and inclusion, both internally and within their broader communities.

**Dive into the full 100+ page ERG Guidebook to empower ERGs as powerful agents of positive change and growth!**

To gain access to the complete guidebook, contact Open to All's Managing Director, Calla Devlin, at [calla@opentoall.com](mailto:calla@opentoall.com) to learn how your company can join our coalition.



**FEATURING  
PRINTABLE  
WORKSHEETS!**