seramount
Talent Solutions for Better Workplaces

EXECUTIVE SUMMARY

The New Rules for Future-Ready ERGs

Rebuilding the ERG Ecosystem for the Next Era of Work

ERGs Were Not Designed for the Role They're Playing

The conversation around inclusion has changed fast. Organizations are facing growing scrutiny around DEI while also being pushed to prove clear business value in a tougher economic climate. As budgets tighten and ROI takes center stage, inclusion leaders are under pressure to show measurable impact—and many companies are already rethinking or reshaping their DEI efforts in response.

That shift has put Employee Resource Groups (ERGs) in the spotlight. Once focused mainly on community and employee engagement, ERGs are now being asked to drive business outcomes, influence culture, support talent strategy, and help organizations navigate change. In many companies, they've effectively become Business Resource Groups (BRGs).

> "We're putting most of our eggs in the ERG basket. **Our ERGs are helping us to really drive and influence culture these days, more than ever.**"
>
> *Chief Diversity Officer*

The problem? ERGs were never built for this level of responsibility. Most still operate as volunteer-led communities outside formal business structures, yet organizations now expect them to deliver enterprise-level impact. It's not a lack of commitment or capability—it's a design mismatch.

That's why simply rebranding or asking ERG leaders to do more isn't enough. Organizations need to rethink the systems and support around ERGs so they can realistically carry the weight they're now being asked to bear.

> "It's not a matter of effort. **It's a matter of design.**"
>
> *Chief Diversity Officer*

The New Rules for Future-Ready ERGs

Drawing on Seramount's years of work with ERGs and interviews with leading organizations, we developed four new rules for future-ready ERGs:

1. **Define ERG roles to enable alignment.**
2. **Reimagine sponsorship to drive consistency.**
3. **Elevate ERG leadership to build career capital.**
4. **Embed ERGs to drive repeatable impact.**

Each of these rules narrows in on a different area of the support system around ERGs that hasn't kept up with their increased responsibilities. By adhering to each of these four rules, organizations can start rebuilding their ERG ecosystems for the next era of work.

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Rule #1: Define ERG roles to enable alignment

> "There's often a gray area between what ERGs take on and what the organization expects. … **What we need most is clarity and alignment on where ERGs fit—and what we're truly accountable for.**"
>
> *Global ERG Leader*

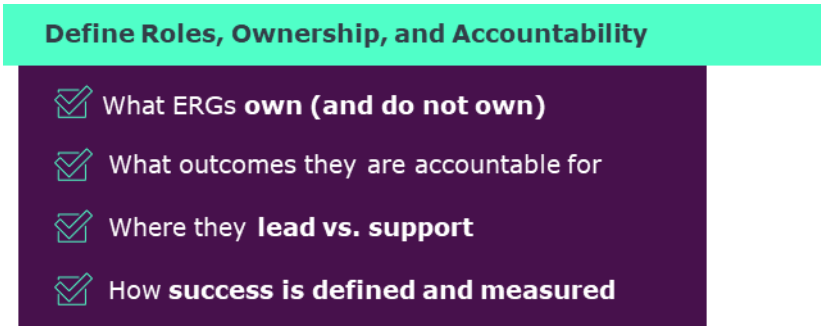
ERGs started as grassroots communities built to foster connection, belonging, and support among employees. But as organizations expanded their investment in inclusion, ERGs grew quickly—and so did expectations for what they could deliver. The problem is that their growth often outpaced the structure, governance, and support needed to sustain it. Today, even within the same company, ERGs can operate with very different levels of maturity, alignment, and clarity.

That inconsistency isn't a leadership failure—it's what happens when organic growth evolves without a shared foundation. Many ERG leaders now feel stuck between two realities: operating like volunteer-led communities while being evaluated like formal business functions. As expectations rise, organizations are realizing that ERGs need more than enthusiasm and passion to succeed—they need clearer systems, support, and alignment.

If leaders want to create that equitable baseline and enable alignment across all of their ERGs, three things are imperative:

- **Role Clarity and Decision Rights:** Each ERG needs clear roles, defined ownership, and structured escalation pathways.
- **Planning Cycle Integration:** ERG engagement should be aligned to planning cycles and embedded in business workflows.
- **Structural and Operating Rhythms:** Governance, processes, and reporting should all be standardized across ERGs.

ERG leaders need to know what they own, what success looks like, and where they fit into broader organizational priorities. Without that clarity, burnout grows quickly. Research shows that unclear roles create friction, duplicated work, and emotional exhaustion—and many ERG leaders are already feeling the strain.



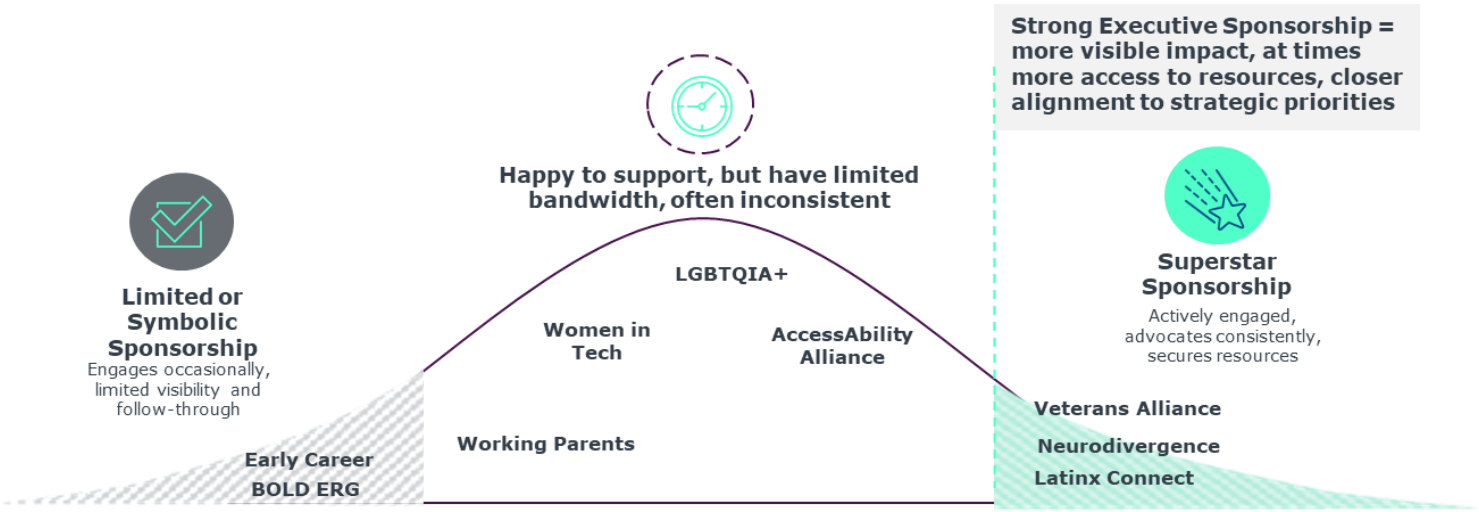
At the same time, ERGs can't drive business impact if they're disconnected from how business decisions get made. Organizations need to give ERG leaders visibility into enterprise priorities and create structured ways for them to contribute. Leading companies are embedding ERGs into planning cycles, tying their work to business goals, and creating feedback loops that show how ERG insights influence decisions. The goal isn't to make every ERG identical—it's to give every ERG the support and structure needed to thrive.

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Rule #2: Reimagine sponsorship to drive consistency

> "**There is not a clear baseline for the level of support provided by executive sponsors across my ERGs.** Some ERGs benefit from stronger executive sponsorship than others."
>
> *Chief Diversity Officer*

Most organizations assign executive sponsors to their ERGs, but in many cases, the role has become more symbolic than strategic. Some sponsors are deeply engaged advocates, while others have limited bandwidth or only minimal involvement. As a result, support can vary dramatically even within the same organization, leaving some ERGs with strong executive backing and others without meaningful guidance or visibility. Inclusion leaders say the inconsistency is one of the biggest challenges they face.



The issue isn't that executives don't care. It's that most organizations haven't clearly defined what sponsorship is supposed to look like. At the same time, sponsors are being asked to do more than ever: advocate for ERGs, secure resources, align groups to business priorities, and support ERG leaders. Frequent leadership turnover, shifting priorities, and reduced accountability around inclusion efforts only add to the challenge. Without clearer expectations and structure, sponsor engagement will continue to vary—and so will the impact and support ERGs receive.

Organizations need to move ERG sponsorship from a symbolic affiliation to a structured responsibility. Leading organizations are doing this in three ways:

- Adding supporting roles to ensure critical support areas don't fall through the cracks
- Providing structured onboarding and offboarding for ERG sponsors
- Providing quantitative insight into ERG maturity and benchmarking

Ask your Relationship Director to learn more about how The Seramount Employee Group Maturity Assessment (SEGMA) can help you supercharge your ERGs.

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Rule #3: Elevate ERG leadership to build career capital

ERGs were originally built as volunteer-led communities, where passion and commitment were expected to be enough to sustain the work. But the expectations placed on ERGs—and on the people leading them—have changed dramatically. Today's ERG leaders want more than the opportunity to support a cause or build community. They're looking for meaningful development, executive visibility, career growth, and recognition for the work they're doing. Research shows that younger employees aren't less interested in leadership or impact—they're simply less willing to take on major responsibilities without clear value in return.

That creates a growing challenge for organizations that are relying on ERGs more than ever. The traditional ERG model was built around community impact and peer recognition, but today's leaders are looking for enterprise credibility and tangible career benefits. The issue isn't generational—it's structural. If organizations want ERGs to continue driving culture and business impact, they need to rethink the value proposition for the people leading them.

75%

of Gen Z employees say **growth opportunities** drive their career choices

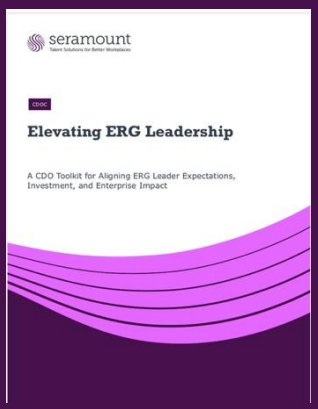
There are four levers that can reshape and elevate ERG leadership roles to mesh with these changing expectations:

- **Selection:** Establish clear criteria, structured selection processes, and alignment to the capabilities required to drive both community and enterprise impact.
- **Investment:** Strengthen the value proposition of ERG leadership through compensation, protected time, development opportunities, and visibility that match the expectations placed on the role.
- **Pipeline:** Design a structured leadership pipeline with defined entry points, progression stages, and off-ramps that sustain engagement and build a continuous bench of ERG leaders and advisors.
- **Integration:** Embed ERG leadership into performance management, talent reviews, and succession planning so it is formally recognized as leadership experience and contributes to career advancement.

Elevating ERG Leadership

A CDO Toolkit for Aligning ERG Leader Expectations, Investment and Enterprise Impact

- Align ERG leader investment and compensation with your program's maturity and strategic expectations
- Evaluate when recognition, protected time, development, or compensation are most appropriate
- Build a business case that connects ERG leadership investments to talent and business outcomes



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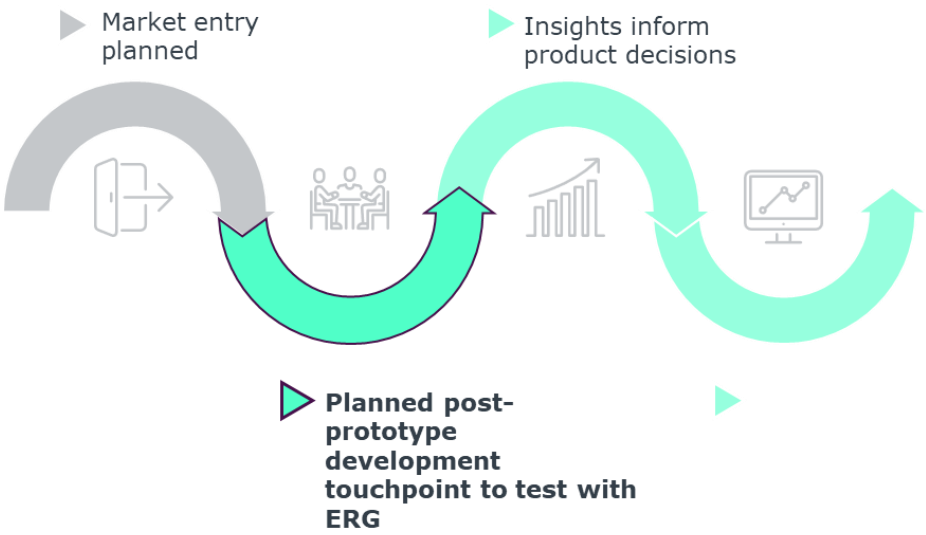
Rule #4: Embed ERGs to drive repeatable impact

> "It's common for folks in my role to say 'Yes, I coordinate embedding ERGs into the business.' But what they've built is informal engagement. ERGs still sit outside of and run parallel to the systems where decisions get made."
>
> *Chief Diversity Officer*

Even when ERGs have strong leaders and executive support, their impact often remains inconsistent and difficult to scale. Many organizations still rely on one-off successes driven by individual relationships rather than systems that consistently integrate ERGs into how the business operates. Research shows that only a small percentage of companies formally connect ERGs to leadership pipelines, retention metrics, or business and innovation decisions. In many cases, ERGs are technically "connected" to the business—but only through informal relationships that disappear when key leaders leave.

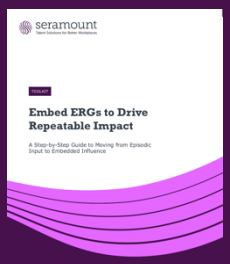
That's why leading organizations are shifting from relationship-based engagement to process-based integration. Instead of asking, "Who can this ERG partner with?" they're asking, "Where in the business process should ERGs contribute?" The goal is to build ERGs into recurring workflows and decision-making cycles so their input becomes part of how work gets done—not an occasional add-on. For example, product teams might regularly involve ERGs during product testing, customer feedback, or marketing strategy reviews to surface insights earlier and more consistently.

ERG Integration; the Product Development Process



A Step-by-Step Guide for Moving from Episodic to Embedded Impact

Build repeatable ERG touchpoints that scale. Ask your Relationship Director for the toolkit



This kind of embedded approach makes ERG impact more repeatable, measurable, and scalable. But most organizations are still early in the journey. Many ERG business contributions remain tied to recruiting or employer branding efforts rather than broader enterprise workflows. The most effective organizations are starting small: identifying one business unit, mapping where ERGs can add value, piloting repeatable touchpoints, and then scaling what works. The shift isn't about involving ERGs everywhere overnight—it's about building sustainable systems that make their impact stick.

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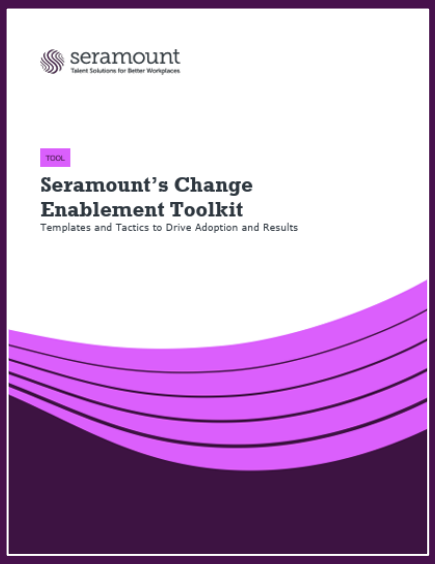
Conclusion

The idea of redesigning ERGs can feel overwhelming, especially when the list of changes starts to grow. But the goal isn't to overhaul everything overnight—it's to build the right foundation for the future. Start with the basics: clear roles, stronger governance, and consistent leadership support. Then focus on one meaningful shift at a time, whether that's improving measurement, strengthening business alignment, or creating better leadership development opportunities for ERG leaders. Progress matters more than perfection, and repeatable systems will always scale better than one-off successes.

Most importantly, organizations need to stop treating ERGs as side initiatives and start connecting them to real business and talent outcomes—from retention and advancement to culture and innovation. This work is challenging because ERGs matter. And this redesign isn't about criticizing what ERGs have accomplished so far—it's about making sure they have the structure, support, and visibility they need to thrive in what comes next.

From Strategy to Adoption: A Toolkit Built for Execution

- Practical guidance for leading organizational change with clarity and consistency
- Frameworks to strengthen communication, collaboration, and implementation
- Tools to reduce friction and measure success through feedback and outcomes
- Flexible, scalable support tailored to different organizational needs



Explore More Resources

Ready-to-Use Tools

Practical tools and guides for turning action plans into measurable impact.

Consultative Conversations and Presentations

Guided session to align your action plans with Seramount's best practices.

Pass-Through Report for CEOs and Boards

Short, executive-friendly summary on how to operationalize action plans.

Ready to take action? **Contact us** to get started.

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