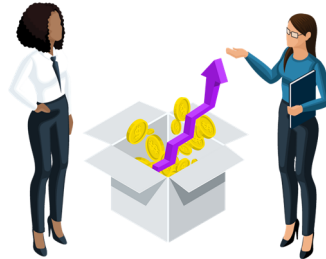


The ERG Leadership Research

Many organizations underutilize Employee Resource Groups (ERGs) in making business impact and developing diverse talent. Based on research by Elevate and i4cp, ERGs can lead and serve as powerful agents of cultural change who can drive an organization's competitive advantage. The research study demonstrates that high-performance organizations develop their ERG leaders, which in turn results in significant return on investment (ROI) and positive results.



1200% (or more) ROI

ERGs/BRGs deliver significant return-on-investment (ROI) results!



ERG/BRG LEADERSHIP DEVELOPMENT

Many ERG/BRG leaders do not receive the training required to make their groups fully effective. **High-performance organizations are:**

- 3x** more likely to factor leadership development into ERG/BRG budgets.
- 2.5x** more likely to describe their ERGs/BRGs as experiential career advancement and leadership development platforms.
- 1.5x** more likely to provide training designed to help leaders align ERG goals with the organization's strategic goals

Low-performance organizations are:



- 3.5x** more likely to say they do **NOT** look at ERGs/BRGs as a source or training ground for future leaders
- 2x** more likely to provide **NO** training

When these high-performance organizations consider ERGs/BRGs as strategic initiatives, track and share the career mobility of its leaders, provide specialized development trainings, and clearly communicate expectations of roles, these resource groups can elevate to new levels of effectiveness, engagement, and productivity.



CAREER BENEFITS FOR ERG/BRG LEADERS

ERG leaders report benefits that i4cp research has shown to accelerate leadership development. **In high-performance organizations, they are:**

3x

more likely to cite the ability to strategically impact business results

2x

more likely to cite exposure to senior leaders and increased opportunity to build external reputation

1.5x

more likely to cite inclusion on interesting or challenging projects

The **top four** benefits reported by ERG/BRG leaders in high-performance organizations:

1



82%

exposure to and recognition by senior leaders

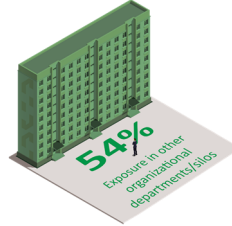
2



58%

opportunity to champion others

3



54%

exposure in other organizational departments/silos

4



52%

increased opportunity to build external reputation



EXPECTATIONS FOR EXECUTIVE SPONSORS

A sponsor's primary expectation is to champion the ERG/BRG.

86%

of high-performance organizations expect executive sponsors to be a champion for the group and its mission

Effective groups have sponsors who coach/mentor and source/sponsor group members for leadership roles.

63%

of high-performance organizations expect sponsors to coach or mentor ERG/BRG leaders

5x

more high-performance organizations expect sponsors to observe and source ERG/BRG members for leadership potential

2x

more high-performance organizations see the executive sponsor role itself as a leadership development opportunity

High-performance organizations consistently outperform their competition for a reason. Even so, many have yet to truly leverage the untapped power of their ERGs; some of the most effective practices identified in the study are in use by fewer than a quarter of respondents.



HOW ERGs/BRGs ARE PERCEIVED IS KEY

Organizations who succeed with their ERG/BRG strategy treat them as they would any other strategic initiative. **High-performance organizations are:**

4x

more likely to describe their ERGs/BRGs as critical voices in fostering a more inclusive workplace

3x

more likely to assess or review ERG/BRG effectiveness at leadership development. (Few do this, but those that do measure promotions and movement.)

2x

more likely to report that ERG/BRG leadership experience has a positive impact on selection/succession decisions

2x

more likely to describe their ERG/BRG as respected by the organization's leaders

2x

more likely to describe their ERG/BRG as effective to a high or very high extent



How and Why This Program Benefits You and Your Organization

As ERG Leaders and Members, you invest your passion for people and the organization as volunteers. Ask your executive sponsors and D&I Team to support your participation so that you can increase this virtuous cycle of performance.



People: Dedicated, Engaged & Fact-Focused

- +19% boost in retention
- +57% better collaboration
- +58% boost in ability to correctly price stocks and focus on facts



Productivity: Cognitive Diversity & Market Advantage Innovation

- +70% increased success in new markets
- +40% more market share
- +42% additional patent citations for mixed-gender teams than single-gender teams
- 15x sales for most-diverse vs least-diverse companies
- +9% for every 1% increase in corporate ethnic populations (up to the rate represented in the general population)



Performance: Financial Impacts

- +35% financial returns (above the industry means with ethnically diverse companies)
- +15% financial returns (above the industry mean with top-quartile gender diverse companies)
- +26% outperformance (of large companies with at least one female board member)