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# How to set up an ERG for black and ethnic minority employees

Eight steps to help employers establish an employee resource group (ERG) for black and ethnic minority employees, including the business case for doing so

## About this guide

ERGs exist to provide support to their members, to create a sense of belonging that may not exist elsewhere in the organisation, to share their experiences with the organisation if they choose and deem it appropriate, and to provide feedback, recommendations and support on how to dismantle systemic and structural barriers that have hindered their development, progression and retention in the organisation.

This guide aims to help employers set up an ERG specifically for black and ethnic minority groups, to:

- provide psychological safety to the group's members in the wake of very uncomfortable experiences
- ensure their voices are heard – and listened to
- provide support as an entity that adds value to the organisation
- contribute to the implementation of the broader D&I strategy.

At this point, it's important to note that *all* employees, regardless of race or ethnicity, should be encouraged to participate in and support the ERG, with the understanding that they would work together towards the common goal(s) specific to that ERG.

## The business case for setting up an ERG

Employee networks or employee resource groups (ERGs), representing different and

specific groups from diverse communities, can help offer an inclusive environment in which everyone in an organisation feels like they belong.

ERGs can also provide a safe channel through which black and ethnic minority employees are able to express their voice and share their experiences with a sense that these experiences will be understood, heard, listened to and responded to without judgement or condescension, and with genuine concern and care by those who are more likely to have experienced similar issues and challenges themselves (both in and outside the workplace).

Setting up and establishing the framework to enable ethnic minority employees to connect through an ERG demonstrates that the employer recognises the need for under-represented groups to have access to social support. In the absence of trusted mechanisms to share their views in a physically and psychologically safe environment, ERGs are vital to the health and wellbeing of black and ethnic minority employees at work. Research linking the impact of mental health on performance and productivity has also been well documented (see the CIPD's *Health and wellbeing at work* survey for more information).

A company-sponsored and resourced ERG enables black and ethnic minority colleagues to feel they have a place in the organisation where they are welcome, and can be themselves without having to 'cover' (managing or downplaying one's differences). It can also provide a network for social and business connections, which may also drive personal development and a wider understanding of the organisation.

Organisations shouldn't leave it to the ERG to define or justify its value-add or existence. Historically, organisations have required networks – already made up of under-represented, non-majority, marginalised groups, individuals and cultures – to justify their existence or prove why there should be any investment made in them. This, in reality, is a form of microaggression. The executive leadership team, HR and D&I should already be able to proactively recognise the value of diversity and inclusion, and, therefore, place the black and ethnic minority ERG on a solid business platform.

## Eight steps to set up an ERG for black and ethnic minority employees

**1. Leaders, HR and internal D&I professionals from the majority group should articulate and write down the value, role and importance of black and ethnic minority networks not just as a support group, but also to the business.**

Leaders should be able to link the role of the ERG to your existing D&I strategy and plan

by:

- reviewing the organisation's D&I strategy
- seeing where and how the black and ethnic minority ERG can (and does) support the delivery of your strategy.

To develop the strategy, leaders should:

- highlight the gaps that exist without this employee voice
- recognise the opportunity to engage and, more directly, support under-represented groups within the organisation.

Make sure you identify the potential role and contribution of the ERG in highlighting practices, processes, behaviours and actions where systemic and structural barriers and racism exist within the organisation.

Draft the strategic input that ERGs can provide and the role they play, being specific in the examples and areas identified, and share with potential and actual network group members to find out what else they believe may need to be included and addressed to dismantle these barriers. Acknowledge that it's a start, and ask for their input to shape the content, delivery process and mechanism for achieving these goals.

## **2. Identify executive sponsors to formally support the ERG, to help demonstrate its importance and business value.**

Sponsors, or senior allies, should preferably be selected from the business or organisation, and ideally be influential, credible leaders who are committed to D&I and willing to learn and support the ERG and the organisation along its journey.

One sponsor is sufficient; the individual doesn't have to be from an ethnic minority. Someone from the majority group may act as an ally (see the [InterLaw Diversity Forum's guide to being an effective BAME ally](#) for more information). The key considerations are that the person:

- is willing to learn along the way
- is committed to actively and visibly supporting the network (both internally and externally)
- recognises the ERG's value to the organisation. This may mean speaking at some events and attending some meetings, for example.

## **3. Consider the budget and allocate financial resources to the ERG.**

The ERG should be funded on an annual basis by the organisation in the same way that resources are allocated to strategic investments and day-to-day business operations and

deliverables.

Consider using a proxy amount to represent the average cost of recruiting a key role in the organisation. The principle here is that, although there is a cost to recruitment, there's also a clear benefit: A key role will be delivered, with the contribution and performance of the new recruit adding value to the organisation's ability to achieve its objectives. This analogy applies to the ERG. There is a cost to helping ensure the group functions effectively, but there's a clear benefit to the contribution it provides to the organisation.

Factor into budget allocation the costs of external speakers, development programmes and modules and learning sessions, for example. Research suggests that black and ethnic minority colleagues value – and would like – further opportunities for learning and development (see [Inclusive succession planning: A toolkit for employers](#)).

Plan the organisation's resources to support the ERG, individuals and members. Imagine the ERG was a valuable customer or client:

- How would you treat the ERG if it was a customer or client?
- What would you do to put in place the support to enable the ERG to deliver the value, loyalty and return you may seek from respected, external clients and stakeholders?

#### **4. Allocate time for ERG leaders and members to participate in company-supported activities as part of their role – within normal working hours.**

It should not be expected or assumed that leaders and members of the ERG carry out their role and contribution to the ERG on top of their normal day jobs. It's important to position the ERG as a tangible, core, value-add activity to the business that's afforded time in its own right – in the same way that other business roles and projects are. It should not be treated as a voluntary contribution carried out in the member's 'spare time'.

In determining time allocation for ERG members, practically consider what the business can accommodate. For example, this could be from around two hours to half a day per month. Bear in mind this may be higher – for example, around one day a month in the early phases of set up. Make sure you agree this as a formal part of the individual member's tasks, targets or performance objectives and gain agreement from the department they're in.

The ERG leaders or members shouldn't be required to justify their participation in agreed ERG activities with their line managers when these meetings, activities and events should already have been agreed. Discuss and communicate this formally with line managers to ensure they're fully aware of the member's contribution to organisational goals in this way.

Ensure that members receive active support in the day-to-day so that they:

- can participate fully in network activities as part of their wider organisational role
- can do so in normal working hours
- are not pressured or expected to carry these out in their own time.

### **5. If you set up one 'multicultural' network, make sure you recognise any different cultural sub-groups within.**

Whilst many organisations set up multicultural networks to value and celebrate the diversity of backgrounds and the richness that various cultures bring, it's also important to recognise the uniqueness of each culture in its own right. For example in a 'BAME' network, there are common features but the experience of being 'black' is different to that of being 'Asian' or any other ethnic minority, so it may be important to separate out some groups.

In addition, intersectionality within these large groups exists, so homogeneity shouldn't be assumed – nor that a single ERG will automatically address the needs of any specific sub-groups within it. For example, in discussing black lives in the workplace, it's important for any focus group or listening session specifically wishing to engage with the ERG to distinguish black employees from other ethnic minorities, as some of the historical roots of racism and the experience of black people is different compared to other ethnic groups (whilst recognising that there are also individual experiences within these groups as well). Be prepared to split out certain groups where appropriate and avoid lumping all non-majority groups together.

### **6. Look into allying with other groups.**

As the ERG becomes more formally established, it's likely to expand to promote further connections – with other members and other seniors, allies and other networks.

Consider allying with other cultural groups or diversity ERGs once the needs and contributions of black and ethnic minority colleagues have been agreed (as long as the link between both ERGs is strong and there's genuine interest in allyship).

### **7. Create a clear, psychologically safe channel for black colleagues to be able to share their lived experiences.**

The willingness to hear and act on feedback of lived experiences demonstrates that the organisation embraces the value and credibility of the ERG and its members. ERG members can guide people professionals, leaders and line managers on how best to

support them.

Sometimes, black and ethnic minority colleagues do not feel heard or safe when they approach HR to raise an issue of potential discrimination, for example, by a manager or colleague, or repeated micro-inequities (the subtle, often unconscious, messages that devalue, discourage and impair workplace performance, conveyed through facial expressions, tone of voice, gestures, choice of words, nuance and syntax). They often report feeling that HR supports the line manager or organisation, rather than fully considering the issue from the perspective of the employee with a view to addressing and taking real action to follow up.

By engaging with ERG members, HR can reflect on how their black and ethnic minority colleagues appraise the HR role, function and position in responding to – and taking effective action on – such issues when they're raised. This may highlight potential unconscious bias on the part of HR and/or weaknesses in HR policies/processes, as well as how they're implemented in practice to resolve such issues. ERG members can also advise HR on ways to make the process of reporting incidents more accessible, safe, equitable and fair – both improving the interaction and relationship between HR and black and ethnic minority colleagues, as well as a physically and psychologically safer environment. In this way, HR should consider how they play their part as active anti-racist allies while formalising this role within the organisation.

## **8. Consider providing ERG members with guidance on governance and implementation.**

Provide ERG members with general and more detailed, specific guidance to help them with the practical governance and implementation of the ERG. This guidance could cover/outline:

- a mission statement
- purpose
- objectives
- governance and sponsorship
- what the network does
- how the network will communicate
- how the network will operate
- who can join the network
- budget · what success looks like (see the [CIPD's 2017 research](#) for case studies of organisations that removed barriers to career progression faced by many BAME employees).

As the ERG becomes established, with some form of governance structure it can further

contribute to the wider organisational D&I strategy/plan as a resource, recognising the benefit that diverse collective input and perspective can bring.

## Next steps

An ERG can add value by providing support in the workplace, empowering members to share their lived experiences and their experience of the organisation's culture. The real benefit comes where the network is engaged:

- at a strategic and business level in providing feedback on different aspects of the organisation's systemic and structural barriers that have resulted in the exclusion of black and ethnic minority colleagues from senior roles
- in using their different perspective to review and interrogate existing HR, business and other processes through the employee life cycle, including attraction, recruitment and selection.

Organisations wishing to continue an anti-racism strategy should adopt the following mindset and approach after reading this guide:

- Conduct further research. The CIPD's [D&I topic page](#) and [anti-racism hub](#) provide a wealth of evidence, resources and guidance to support you in fostering an anti-racism strategy.
- Articulate how a black and ethnic minority ERG adds value, and how it supports the D&I strategy and agenda.
- Engage with the potential network members to build on this and develop their specific requests, needs and contribution to the organisation.

In partnering with a supportive, senior ally in the role of an executive sponsor, listening to anecdotes and experiences and formally taking action to address and resolve each issue, there's a tremendous opportunity to transform the organisation into one where all colours and cultures can feel safe, that they can belong, and are positively contributing to truly making and maintaining your organisation as a great place to be, and work, for all people.

See how the CIPD champions racial diversity and inclusion through their own employee resource group, [EmbRACE](#).

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