Chapter 10

Employee Network and Affinity Groups
In corporate America, a common mission, vision, and purpose in thought and action across all levels of an organization is of the utmost importance to bottom line success; however, so is the celebration, validation, and respect of each individual. Combining these two fundamental areas effectively requires diligence, understanding, and trust from all parties—and one way organizations are attempting to bridge the gap is through employee network and affinity groups.

Network and affinity groups began as small, informal, self-started employee groups for people with common interests and issues. Also referred to as employee or business resource groups, among other names, these impactful groups have now evolved into highly valued company mainstays. Today, network and affinity groups exist not only to benefit their own group members; but rather, they strategically work both inwardly and outwardly to edify group members as well as their companies as a whole.

Today there is a strong need to portray value throughout all workplace initiatives. Employee network groups are no exception. To gain access to corporate funding, benefits and positive impact on return on investment needs to be demonstrated. As network membership levels continue to grow and the need for funding increases, network leaders will seek ways to quantify value and return on investment.

In its ideal state, network groups should support the company’s efforts to attract and retain the best talent, promote leadership and development at all ranks, build an internal support system for workers within the company, and encourage diversity and inclusion among employees at all levels.

In this chapter, we will explore the following questions:

• What are the benefits of employee network and affinity groups to the company? To the employee?

• How do employee network and affinity groups impact recruitment, retention, and leadership and product development?

• What are the basics of employee network and affinity group operations, to include mission and vision, charters, funding and resources, programs, and visibility?

• What is the typical infrastructure of employee network and affinity groups?

• How should organizations measure the impact of employee network and affinity groups on the bottom line? What are the challenges? What tools can be used?
**Benefits**

Employee networks are a key part of a company’s D&I strategy. They are effective tools for championing programs and people, a corporation’s greatest asset. Employee networks may be composed of African Americans; Asian Americas; Hispanics; older workers; workers with disabilities; gay, lesbian, bisexual and transgendered people; women; members of religious denominations; global networks; and others. Open to all employees, each network typically has a formal structure with leaders, periodic meetings, and objectives, and often serves as an external advisory group.

In today’s corporate quest for diverse talent and multicultural partnerships, employee resource groups are more important than ever in order to create a workforce that mirrors the face of the consumers to accelerate business results. The corporate environment has evolved to not only support network and affinity groups but to promote them. These groups aid in the attraction and retention of new hires. They help send the signal to the world that the organization values inclusivity which leads to innovation.

Leading companies take an active interest in their network and affinity groups. These companies provide speakers and sponsorships, ask networks to assist with recruiting and retention, and even ask them to help build market share. Strong groups have a purpose and a plan. They often give advice and counsel to the company and to the senior diversity and inclusion officer. These groups prosper with adequate budgets and management advice.

Affinity groups contribute to business success through several means: recruitment and retention, product development, creating a positive and supportive work environment and helping to deliver the commitment to diversity and inclusion to name a few. For example, at 3M, affinity groups serve as advisors to the product development division, while AT&T’s employee resource groups have helped the company in its recruitment and retention efforts, and some groups have also provided a strong community influence through the adopt-a-school, scholarship, and mentoring programs. Taking the business of ERGs more seriously, Honeywell has its business resource groups sign partnership statements viewing these groups as actual business partners. These groups at Honeywell also help the company to understand business norms within other cultures, such as Asia.

Corporate network groups have a mission to represent the company. They are not only expected to operate like a department at some companies, but are also provided with an annual budget and sometimes an executive sponsor in order to push forward diversity and inclusion strategies. These groups provide the benefits of recruiting, mentoring and business growth. Most are involved in professional member development activities, business partnerships and community relations to help garner company recognition and support. They lead other employees toward better cultural understanding.
Employee networks have several distinct benefits for the company, including:

- **Establish/Revamp the Corporate Diversity Vision** Network groups can provide valuable viewpoints on corporate D&I policies and initiatives. They are often better able to locate areas in need of improvement and may suggest areas in need of policy or attention.

- **Aid in the Recruitment of Minority Employees** Corporate network groups can aid the corporation throughout this area by suggesting focuses of process improvements in areas such as recruitment, development, and retention of the minority workforce.

- **Connect with an Extended or New Consumer Base** Employee resource groups often have the means and enthusiasm to assist the corporation with sales goals and brand awareness. Specialized network groups are often excellent forums for idea generation and serve as wonderful sounding boards for targeted campaigns.

**Recruitment, Retention, and Leadership Development**

Employee resource groups aid in recruitment by helping companies gain perspectives on techniques that appeal to target populations. Merrill Lynch, for example, has demonstrated this practice with the company’s Native American Professional Network. This group reaches out to students through programs and recruiting events throughout the United States.

However, diversity and inclusion is not just about getting people in the door, but about moving people up the corporate ladder—both at headquarters and throughout operating divisions. Employee resource groups can help to increase the percentage of women and minorities throughout the corporation. Membership helps create an inclusive environment and foster retention.

Ford has utilized its employee groups to help retain top talent. Ford’s Parenting Network, for instance, has provided input on work/life balance and contributed to the now adapted work/life policies, such as adoption assistance, lactation policies, and other support.

In terms of professional development, it is important for minorities to see their peers in similar positions. YMCA, for example, maintains not only affinity groups, but also leadership networks. These groups have a similar focus, but concentrate on opportunities for development as individuals or as a group. These groups participate in career development, personal development, networking, training opportunities, and mentoring. YMCA maintains five affinity groups including the Hispanic/Latino Leadership Network and Affinity Group, African American Leadership Network and Executive Forum, Asian American Leadership Network and Affinity Group, Gay, Lesbian, Bisexual, Transgendered Leadership Network and Affinity Group, and the Women’s Leadership Network and Affinity Group.

Additionally, YMCA’s African American Leadership Network and Executive Forum strives to increase leadership development of African Americans through career development, personal development, networking, training opportunities, and mentoring. This group helps
the YMCA recruit and retain top talent, provide employee training, and create mentoring opportunities.

Product Development

Employee resource groups are vital for targeting the sectors they represent through marketing, employee support, and product testing. Executives can call on groups for feedback on marketing campaigns and product development. These groups can therefore contribute to business objectives. For example, PepsiCo developed guacamole-flavored Doritos and soft drinks aimed at black consumers through contributing affinity groups, adding 1 percent to the corporate bottom line.

Ford also added to its bottom line through its Interfaith Network, which reached out to different churches to encourage purchases with discounts from friends and families of the employees, known as the Friends and Neighbors Program. This group brought more than $260 million in sales through this program. Another Ford initiative that generated product testing came through the Professional Women’s Network. The company asked this group to test the seat height in their cars for women.

Marketing campaigns can be surveyed by employee resource groups to gauge the level of effectiveness. The Realize campaign of Verizon Communications/Wireless, launched in 2005, featured real customers pursuing their entrepreneurial dreams with the help of Verizon’s broadband services. This campaign was created with the assistance of an employee resource groups for black employees, called the Consortium of Information and Telecommunications Executives (CITE). The Realize campaign generated three times the original sales goals in one year and expanded target cities. Verizon’s decision to include its employees in this campaign shows the direct result of product development by employee resource groups.

Operations

In their ideal state, network groups should support the company’s efforts to attract and retain the best talent, promote leadership and development at all ranks, build an internal support system for workers within the company, and encourage diversity and inclusion among employees at all levels. Moreover, networks should support career development and mentoring for its members, help each individual build upon their own personal network for success, and act as a guiding force in helping the corporation achieve work/life effectiveness.

Best Practices for Employee Network Groups:

- **Commitment and Direction** Offer a strong message of commitment from CEO/Executive Leadership Team that is clear, consistent and communicated throughout the organization; clear appreciation for affinity group business case; direct CEO and senior leader involvement.
• **Authorized Groups** Reflect key employee constituencies and extending beyond race, gender, and sexual orientation to ability, faith, professional interests, and lifestyles; in addition to market segments, some drive eligibility off of Title VII classes.

• **Role of Affinity Group** Act as a “voice” for identity group; actively attract, develop, and retain talent; develop new business opportunities; promote the Brand; community outreach.

• **Integration** Play an integral role in the Diversity strategy; have “formal” linkages across corporate entities and functions to leverage affinity group as resource; help build leadership pipeline; have active partnership with business units.

• **Business Connection** Actively engage in driving business goals: talent recruitment/retention; employee engagement, personal/professional development; emerging marketing; and being the “face” of the company in the community.

• **Organization** Offer corporate affinity groups with chapters by identity groups, across geography (regional, global), in some isolated cases aligned with business segments; affinity groups well connected with each other and the organization.

• **Governance** Offer corporate standards with guidelines, bylaws and operating agreements; formal leadership selection (a combination of elections and “hand-picked” recommendations).

• **Affinity Group Leadership** Well trained in leadership and diversity and focused on results, executives across identity groups should be active, and strong and support relationships with advisors as well as share best practices and create an active connection to leadership development.

• **Executive Advisors** Members of the senior leadership team should act as champions, assume a very active role and be accountable for affinity group progress/success. They should also receive an orientation to their role and the affinity group.

• **Funding** Provide annual funding tied to approval of affinity group’s business plan and past performance; generally see the return on investment value.

• **Resources** Assign a dedicated resource in the Diversity Office. Provide some level of access to corporate functions, resources and facilities; corporate and diversity website highlights affinity groups, their awards and contributions.

• **Accountability** Offer continuous oversight by the Diversity Office and advisors; require annual business plan aligned with business and workforce contributions; use associated metrics/measurements.

Strong groups have a purpose and a plan. They often give advice and counsel to the company and to the senior diversity officer. These groups prosper with adequate budgets and management advice. Most network groups are involved in professional member development activities, business partnerships and community relations. They lead other employees toward better cultural understanding.
A company should agree to standardize guidelines for all network groups in order to present baseline requirements in the application process and approval. Consistency must be established. Recognize that employees must lead this effort and form their own groups based on guidelines and company support.

**Funding and Resources**

Addressing budget parameters for employee networks requires formal guidelines that should be instilled as clearly articulated company policy. Business plans should be presented by these groups to help direct appropriate funds. Specific, goal-oriented agendas should be set with a funding plan. Investment should be shared in time and expense: business-related and public-relations activities sponsored by the company; volunteer efforts shared; social events sponsored by the membership.

Many network groups are financially supported by their corporations. Although employee network budgets appear quite limited, they often partner with operational departments, thus expanding their budgetary resources. The human resources department often assists with training and recruiting resources, while the marketing, community relations, and public relations departments are targets for marketing and related activities.

In starting an employee resource group, funding must be a priority. Getting the backing of an executive sponsor will help get you get the resources needed to start. Ideally, you should choose a senior executive that reports directly to the CEO who can relay the requests.

Out & Equal surveyed ERG members from a vast array of industries and professions across the country. Seventy percent of the groups polled were larger than 50 members, and 83 percent were located in multiple sites nationally and internationally. In light of this, budgets were highly recognized, with eighty-four percent reporting having one, with the majority of the funding coming directly from the HR/Diversity Department. The annual average for employee resource groups ranged between $10,000 and $20,000, but the largest range was from in the hundreds to the high hundreds of thousands. Considering groups studied were within large companies, budgets highly depended on programs and business development participation they had.

In addition to funding, corporations often provide many other resources to their employee resource groups. In addition to needed financial support, they provide human resources to guide, support, and educate the network.

**Developing a Charter**

To formally initiate the development process, the employee group should seek the support of influential individuals throughout the organization. During this stage, it is important that the group develops a charter and mission statement depicting its primary goals. Committees typically begin to form, followed by elected officers.
Affinity groups should maintain a charter to outline not only the purpose of the group, but also the regulations and functional responsibilities of its members within the organization. The charter should outline the activities the group will participate in, such as create an inclusive environment, representing a shared voice, promoting a respectful workplace environment and promoting diversity initiatives.

Membership should be voluntary and open to any regularly scheduled full- or part-time employee. This section of the charter should also outline what membership provides employees, the roles and responsibilities of members, and leadership, and needs for budget considerations. An application process for groups and members should be outlined before taking on these initiatives.

Mission and Vision

One of the first demonstrated actions of any network and affinity group is mission development, or identity definition. There are clear steps towards developing an effective, clear, attainable mission. Begin with defining your story, both the company's and the group's. That story should create a sense of urgency and consist of the history of your constituency at the company. Positive stories—like executive representation and involvement, employee impact, community involvement, and targeted marketing—generate pride. Negative stories—like a lack of representation at the executive level, community missteps, negative reputation, or difficulty recruiting and/or retaining employees—highlight the need for change.

After defining the group's story, begin to define and analyze the business. Ask questions like:

- Who is the company trying to reach? Market to? Employ? Retain?
- Where do group members think the missed opportunities are?
- Given these market and business realities, how can we engage as problem-solvers and resources?
- What could we provide that is critical to the business? Short-term? Long-term? What unique, transformational role can we play?

Once these questions have answers, turn the focus inward. Evaluate the strengths, weaknesses, opportunities, and threats to the group's success. Brainstorm stakeholders and possible activities. Finally, determine a vision and mission statement with all of the above in mind.

Examples of Purpose Statements:

- “The Latino Resource Group helps improve the company’s marketing efforts aimed at the fast-growing Latino population in the US, aids recruitment and retention of Latinos, promotes cultural awareness, and provides opportunities for personal and career development.”
• “The Women’s Leadership Network seeks to make a difference for the company by researching and recommending solutions to issues affecting women; raising the visibility of women; providing opportunities for women to develop leadership skills and broaden their network; and reaching out to women, students and teens in our community.”

• “People Like Us (PLUS) serves as a network and a resource for gay, lesbian, bisexual and transgender (GLBT) employees, fosters general awareness of the comGLBT employees and their contributions, and serves as an advisor to Human Resources and Management.”

• “To provide information on the needs of the disabled for internal and external customers, and supporting mobility motoring in the United States and Europe to create the vehicle of choice for customers with disabilities.”

• “Assisting the company in becoming a worldwide leader in promoting religious tolerance, corporate integrity, and human dignity by helping increase and maintain religious diversity; attract, develop and retain talented employees of faith; and be more aware of religious consumers’ and investors’ needs.”

Programs

Part of an affinity group’s business plan should involve a calendar of activities and programs to be coordinated within a two-year outlook. The affinity groups and the company offer training and education. The curricula vary but the training and education prove essential. Also, the business plan should help determine roles in recruiting, mentoring, new employee engagement and sponsorship, community outreach, and representation of the company.

Social and activist programs are both important to consider. Community activities, such as food drives, tutoring, and charity walks are good programs to keep groups in-tune with the community, as well as reaching out to universities. Within the company, promoting education and developing recruiting strategies are both highly effective. Providing materials, such as writing articles or newsletters or participating in celebrations, help get companywide recognition and involvement.

The activities undertaken by employee network groups may include:

• Formal and informal training and mentoring
• Employee networking across institutional departments
• Community outreach
• Recruiting
• Assistance on marketing products and services to diversity markets

As part of these programs, one important internal function affinity groups can service is as a forum to articulate otherwise unexpressed barriers or opportunities to the employer. Bringing these faults to attention can lead to participation for the first time in events that promote
these issues. Participating in community events can help extend the company name through outreach and networking. This may also assist in recruiting.

For example, Citigroup Inc. sponsored more than 45 programs in the United States that aligned with heritage months in 2006 designed by employee network groups. They helped spread knowledge about multicultural groups within the company. These network groups also developed Diversity Week, which involves lectures on diversity topics and presentations by various organizations, including the business case for diversity, LGBT issues in the workplace, age awareness, women, individuals with disabilities, and more. More than 1,000 employees participate in the programs offered.

Communications and Visibility

Regular employee communications remind employees that there are corporate support networks available. As a way to create visibility and voluntarily share information about major initiatives, concerns, and recommendations with the company and community. It is also important to publish group results and demonstrate support for other affinity group efforts. Become active participants in program initiatives of the business, e.g., new product launches, achieving safety goals.

Corporations typically allow employee network groups to utilize corporate communications resources. Communications through these mediums, however, often must be approved prior to dissemination. Operation of webpages linked to the corporate site typically required approval as well.

Companies employ a variety of communication techniques to stimulate membership retention and growth such as those seen below:

- **Event Promotion** Ensure employees are aware of special events, conferences, and activities the network sponsors.

- **Newsletters** Encourage participation in membership drives.

- **Personal Networks** Communications and relationships of existing members can help stimulate new membership and recognition of the network.

- **Website** Maintain an up-to-date website provides employees, prospective employees, and other stakeholders with information about the network, its activities, and its agenda.

- **Branding** Use brand communications to build recognition. This will link the network and the corporation to the network mission and philosophy and increases employee awareness of the existence of the network.

- **Recruitment and retention** Ensure that recruits, new employees, and existing employees receive information about all employee network groups. Send reminders.
Infrastructure

Most employee networks are self-started and organized. Employee groups usually have a diversity staff leader and a coordinating council that meet and report to the CEO. In best-practices companies, the group reports at least once every six months, and leading companies take an active interest in their network and affinity groups. These companies provide speakers and sponsorships, ask the networks to assist with recruiting and retention, and even ask them to help build market share.

Employee resource groups are traditionally organized and chartered by employees. The following are typical structural characteristics:

- Employee network groups typically consist of employees who voluntarily join together in support of the corporation’s diversity policy, vision, and values.
- Employee networks offer a forum where employees can discuss issues and gain a sense of support and community.
- Employee network groups often act as a corporate business partner, offering diverse perspectives and corporate support.

Leadership should be self-generated and established. The selection of leaders is based on the commitment to the goals and parameters of the network groups and the pertinent group under formation.

Typical structural characteristics:

- Although corporate network groups are typically employee run, they commonly attain high levels of corporate support. Senior business executives at many corporations are accountable for meeting specific diversity objectives. When the CEO is personally involved, executives make a greater commitment to network groups.
- Many employee network groups have members who serve on company diversity councils and strive to routinely keep management informed of happenings.
- Most employee network groups operate with a group of officers and a board of directors comprised of individuals from the group’s membership.
- Co-chair leadership structures are sometimes developed to gain a gender balance.
- Steering committees often meet monthly.
- Advisory boards are made up of senior management. They typically meet with the employee network groups on a quarterly basis.
- Alliance companies may choose to adopt the employee network groups of their parent of create their own independent groups.
Executive Sponsors

At most corporations, employee networks are sponsored by a senior executive who is able to guide the group, transmit views to the executive level, and help secure internal political and financial support for the organization. Executive management leaders drive communication of goals and ongoing management development typically through quarterly business meetings. Just as importantly, executive management reaches the management vertically, bringing acknowledgement, cooperation, and attitudinal change.

Larger groups typically an executive champion who may report directly to the CEO, Senior Vice President, Board of Directors, and/or the Diversity Office. These executive sponsors are the direct messengers to senior management. Additionally, employee network groups typically partner with the human resources and diversity departments in order to stay connected with the company happenings as well as other employee resource groups.

Monitoring and Measuring

Today there is a strong need to portray value throughout all workplace initiatives. Employee network groups are no exception. To gain access to corporate funding, benefits and positive impact on return on investment need to be demonstrated. As network membership levels continue to grow and the need for funding increases, network leaders will seek ways to quantify value and return on investment.

The ultimate goal is to have tools available that efficiently measure the effectiveness of employee network groups in reaching membership and corporate objectives such as diversity recruitment and inclusion, employee satisfaction, corporate reputation, and sales generation.

The Difficulty with Measurement

The effects of employee network groups on corporate objectives are sometimes difficult to measure. If companies want to measure the effect on diversity sales, for example, they may utilize measurements based upon sales, incremental revenues, and overall profitability throughout new market segments. Knowledgeable professionals understand, however, that these measurements cannot be directly attributed to the efforts of employee network groups alone. Judgment is oftentimes required, leading to varying levels of subjectivity. Unlike most other business initiatives, evaluating diversity initiatives and quantifying their results have proven to be uniquely challenging.

Why are the effects of employee resource groups hard to measure?

- Endeavors are fragmented across business units, functions, and departments.
- In some companies, these networks are relatively new initiatives.
• Both tangible and intangible benefits exist.

• Judgment is often required because the results of most of the measure employed cannot be fully attributed to employee network group campaigns alone.

Measurement processes should take these considerations into account to create the most effective and accurate results. Here are some tips on how to conduct employee network group measurement and evaluations:

• **The key to setting objectives is measurability.** The corporation must establish telling standards by which the success of employee network group efforts can be measured. Without specific goals, there can be no gauge as to the presence of progress.

• **Measurement techniques vary based upon objectives of the endeavor.** Employee network groups are typically assumed to aid in diversity efforts and strengthen the bond between corporation and employee. These groups are not typically created to sell products. The problem with measurement is that its scope is limited. Oftentimes employee resource groups do not produce instant gratification in the form of monetary reward to the corporation. Results often come after lengthy periods of time. Corporations should ensure that this is taken into account.

• **Include stakeholders in measurement.** Effective corporate decision-makers include their stakeholders throughout the measurement process. As a best practice, successful corporations understand that stakeholder opinion should be monitored throughout the entire employee network group funding process. Once key stakeholder confidence is established, corporations can proceed with confidence with the knowledge that their investments are worthwhile.

• **Measurement techniques depend upon corporate objectives.** The value of distinct measurement tools are dependent upon the unique circumstances of each company, including how the company rates specified objectives and aligns results based upon those goals. For example, if the company’s primary objective is to increase diversity recruitment and retention, they should engage in measurements that monitor changes in these areas. Conversely, if the organization’s primary goal is to drive diversity sales, then they would employ measurement tools that gauge changes in sales transactions throughout the target market area. Regular assessments are imperative.

• **Regular measurement and assessments will allow both the corporation and the employee network group to measure their respective benefits received.** For example, employees may be most concerned with satisfying career and work/life balance, while corporations desire the benefit of creating motivated employees willing to advance in their careers, learn new skills, and maintain a relationship with the company.

**Measuring Diversity and Inclusion Initiatives**

The most common measurements sought by employee resource groups are their effects upon the overall corporate diversity initiative. The list of functions that follows may be utilized as a guide for organizations as they strive to be best in class.
The functions of diversity and inclusion include:

- Recruitment and retention
- Work/life
- Purchasing and supplier diversity communications, media, marketing, and advertising
- Customer and client relations
- Community relations
- Events and sponsorships
- Third party relationships/strategic alliances
- Public policy and government relations

As a best practice, affinity groups should establish measurement processes to assess their impact upon these functional diversity areas. These results can then be measured and benchmarked against other corporate network groups.

Measurement Tools

The following table provides a sampling of common employee network group objectives and offers examples of measurement barometers for each.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Barometer</th>
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<tbody>
<tr>
<td>Enhance employee morale</td>
<td>Monitor productivity levels; survey for morale; measure employee participation levels</td>
</tr>
<tr>
<td>Diversity recruitment and retention</td>
<td>Measure minority recruitment and retention throughout decided periods; benchmark numbers against past results; survey minority employees for satisfaction levels; monitor retention and reasons for employee resignations; compare statistics for network members versus non-members</td>
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<tr>
<td>Employee networking</td>
<td>Track networking opportunities; survey membership regarding this subject and acquire need for improvements</td>
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<tr>
<td>Employee education</td>
<td>Survey employee following seminars and speaker series to determine their level of learning and satisfaction; monitor the number of educational opportunities provided; benchmark opportunities against other networks both internal and external to the company.</td>
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<tr>
<td>Enhance minority leadership and representation</td>
<td>Monitor leadership positions held by minorities; compare these numbers to past statistics and benchmark against others throughout the industry</td>
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<tr>
<td>Diversity sales activation</td>
<td>Calculate new sales for targeted market; calculate changes in incremental revenues; match sales data against periods without employee resource group support</td>
</tr>
<tr>
<td>Diversity sales retention</td>
<td>Monitor overall profitability and incremental revenues throughout periods; compare for markets not supported by employee resource groups</td>
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<tr>
<td>Increase awareness about the employee resource group and its objectives</td>
<td>Conduct regular surveys; hold sessions without control groups to assess awareness levels</td>
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<tr>
<td>Target marketing</td>
<td>Survey attendance and demographics of attendees throughout regular intervals of the event; compare pre- and post-event sales or sales of prior years</td>
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<tr>
<td>Enhance/alter corporate image</td>
<td>Conduct surveys throughout multiple periods such as quarterly or biannually to consumers, employees and constituents</td>
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<tr>
<td>Media mentions</td>
<td>Calculate media mentions and awards</td>
</tr>
<tr>
<td>Message promotion</td>
<td>Survey awareness levels both internal and external to company</td>
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<tr>
<td>Enhance community relations</td>
<td>Measure community benefits; engage community constituents to provide feedback</td>
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Conclusion

In this chapter, we:

• Investigated the benefits of employee network and affinity groups to the company and employees.

• Considered the impact of employee network and affinity groups on recruitment, retention, and leadership and product development.

• Reviewed the basics of employee network and affinity group operations, to include mission and vision, charters, funding and resources, programs, and visibility.

• Analyzed the typical infrastructure of employee network and affinity groups.

• Examined the benefits, challenges, and tools of measuring the impact of employee network and affinity groups on the bottom line.

Corporations increasingly understand that employee network and affinity groups provide many positive benefits not only to the company and its employees, but also to the community, business partners, shareholders, and other stakeholder groups, as well. Leading companies recognize that these important groups have passed the point of being merely a social function and utilize these groups as business partners for the sectors they represent through marketing, employee support, and product testing.

Executives should develop relationships with these employee resource groups and view them as business partners for not only marketing campaigns and product development, but also for the search for talent. Leveraging affinity groups in this way will increase corporations’ bottom lines and help develop a highly successful, inclusive work environment.

For more on network and affinity groups, visit diversitybestpractices.com for the Network & Affinity Leadership Handbook or to learn more about the annual Network & Affinity Leadership Congress (NALC).
Corporate Examples

Abbott Laboratories

Employee networks play a vital role in building an inclusive culture at Abbott. By focusing on career development, mentoring, informal networking and work-life management, our networks expand opportunities for women and minorities to advance into leadership roles. Networks are sponsored by corporate officers, who help align the group’s objectives with Abbott’s business strategy. Nearly 8,000 U.S. employees participate in leadership networks. These include:

- LA VOICE Network (Hispanic/Latino),
- Women Leaders in Action
- Black Business Network
- Asian Cultural Leadership Network
- PRIDE Network (gay/lesbian)
- Part-Time Network

American Express

Employee networks sponsor programs that enhance professional and personal growth. Participants engage in educational activities, including job fairs and cultural events; act as liaisons to management and to the community; participate in outreach and volunteer programs; support employee recruitment and retention initiatives; and enhance marketing efforts in targeted communities. Participation in networks also offers employees a supportive environment in which to expand their skills and develop leadership capabilities.

- AHORA – Hispanic Network
- SPIN – Hispanic Network
- ASIA and EWEX Exchange – Asian Employee Network
- BEN – Black Employee Network
- CHAI – Jewish Employee Network
- DAN – Disabilities Awareness Network
- PRIDE – Lesbian, Gay, Bisexual, Transgender Employee Network
- NAIP – Native American Employee Network
- Nation – Native American Employee Network
### Amgen, Inc.

Amgen embraces a culture of inclusion in many ways, including a strong commitment to equal opportunity and affirmative action as well as over 25 company sponsored affinity group and diversity council chapters that engage in expanding inclusion strategies, business acumen and career development opportunities for all Amgen staff. With the goals to engage, develop and retain staff, these groups provide mentoring and networking opportunities as well as develop and strengthen community partnerships with local and nationwide organizations. More than 2,500 staff members participate in affinity groups at Amgen, which currently include:

- Amgen Asian Association (AAA)
- Amgen Black Employees Network (ABEN)
- Amgen DisAbled Employees Network (ABLE)
- Amgen Diversity Councils (ADC)
- Amgen International Network (AIN)
- Amgen Indian Subcontinent Network (AISN)
- Amgen Latin Employees Network (ALEN)
- Amgen Middle Eastern Employees Network (AMEEN)
- Amgen Network for Gay and Lesbian Employees (ANGLE)
- Amgen Women’s Interactive Network (AWIN)
- Diversity Councils

### Applied Materials

Applied Materials offers employees the opportunity to participate in affinity groups, which are voluntary, employee-driven groups organized around a particular shared interest or dimension. Affinity group members may have a common cultural history and perspective, yet, each affinity group takes a unique approach to addressing the specific needs of its membership. Each group works to create an open forum for idea exchange and to strengthen the linkage to and within diverse communities in support of Applied Materials’ business objectives.

In addition to supporting the company and community as a whole, affinity groups provide
services to their members that enhance individual effectiveness and job satisfaction through networking and professional development. All affinity groups are open to all employees at Applied Materials.

AT&T

AT&T has several Employee Resource Groups (ERGs) that are open to all employees and reflect the diversity of the company’s employee base. AT&T’s Employee Resource Groups support the company’s commitment to diversity and inclusion through their efforts in the workplace, the marketplace, and the community. AT&T recognizes the value and goodwill that these groups can provide in furthering the company’s goal, values and interests. Employee resource groups include representation for women, African-Americans, Asian-Americans, Hispanics/Latinos, Native Americans, GLBT, veterans and employees with disabilities.

- Women
- African-Americans
- Asian-Americans
- Hispanics/Latinos
- Native Americans
- LEAGUE (GLBT)
- Veterans
- Employees with disabilities

Cisco Systems, Inc.

Cisco values and fosters diversity, development, and growth opportunities for staff through employee networks. These networks join employees to help reinforce the value of all aspects of each member’s personality. Valuing the differences in each person increases individual and team performance, productivity, and satisfaction. Cisco believes that its employee networks are critical to an inclusive organizational culture.

- Women’s Action Networks
- Cisco Black Employee Network (CBEN)
- Conexión, the Cisco Latino Network
- Gay Lesbian Bisexual Transgender (GLBT) and Advocates
- Cisco Asian Affinity Network (CAAN)
- Indians Connected
Clorox Company
To help diverse employees connect with one another and collectively with the company, Clorox sponsors five employee resource groups: African American, Asian/Pacific, Hispanic, GLBT and Women. Each group is sponsored by a member of the Clorox Executive Committee and led by a vice president of the company.

- African American
- Asian/Pacific
- Hispanic
- GLBT
- Women

Colgate-Palmolive Company
Colgate’s commitment to diversity and inclusion includes employee network groups, community support, and support for local educational institutions. Colgate supports community groups and organizations, which promote the development and advancement of women and diverse groups in the workforce.

- Asian American Group (AAG)
- Asian Heritage Group (AHG)
- Black Action Committee (BAC)
- Diversity Councils
- Hispanic Action Network (HAN)
- Women’s Network

Dell, Inc.
Dell sponsors a community of networking groups formed by employees with common interests in areas such as ethnicity, gender, nationality, lifestyle, and sexual orientation. These groups offer Dell employees the opportunity to network with other employees from around the company, while providing encouragement and an enhanced sense of belonging through informal mentoring, professional and community events and access to personal and professional development and growth. Additionally, networking groups help foster a more inclusive work environment, improve communication among employees and enhance understanding of all employees about the value of diversity.

- BRIDGE - Building Relationships in Diverse Group Environments (African-American Networking Group)
- W.I.S.E. - Women In Search of Excellence
### Dellante - Hispanic Networking Group
- PRIDE - Partnering for Respect of Individuality in the Dell Environment (A Gay, Lesbian, Bisexual, Transgender & Straight Alliance)
- A.I.M. - Asians in Motion

### Deloitte & Touche USA LLP
Programs sponsored by seven business resource groups and more than 80 local chapters last year encouraged our professionals to forge effective networks with colleagues inside and outside the organization. These events also helped us recruit top talent, win new business, and grow existing relationships.

- Asian BRG (ABRG)
- Black Employee Network (BEN)
- Deloitte Parents’ Network (DPN)
- Gay, Lesbian, Bisexual, Transgender and Allies (GLOBE)
- Hispanic/Latino(a) Network (HNet)
- International BRG (IBRG)
- Women’s Initiative (WIN)

In many instances, the early efforts of local BRGs have begun to pay sustainable dividends. The effect can be seen on our bottom line in terms of the acquisition of new business and new talent.

### McDonald’s Corporation
Women’s Leadership Network, Asian Employee Network, McDonald’s African American Council, Hispanic Employee Network, Gays, Lesbians and Allies at McDonald’s and others provide McDonald’s employees with career development, advocacy, support, recruitment and retention assistance. These employee networks also help the company achieve its diversity vision by: improving process like performance feedback and employee development; recruitment and retaining excellent employees; maintaining a better connection with our diverse customer base.

- Women’s Leadership Network
- Asian Employee Network
- McDonald’s African American Council
- Hispanic Employee Network
- Gays, Lesbians and Allies at McDonald’s
The McGraw Hill Companies, Inc.

Through grassroots-driven Employee Resource Groups (ERGs) and business-focused Diversity Councils, we recognize and support diversity in the workplace. The Hispanic Heritage Network (HHN), Women's Initiative for Networking and Success (WINS), Black Employees at McGraw-Hill (BEAM), and the Gay, Lesbian, Bisexual and Transgender (GLBT) Employee Resource Group enable employees to connect and discuss a shared set of interests, experiences and perspectives.

ERGs have also been vital in fostering a mentoring culture throughout The McGraw-Hill Companies — the McGraw-Hill Mentoring Program was conceived of and piloted through WINS and HHN has recently launched a mentoring program focused on serving the needs of our Hispanic employees.

- Hispanic Heritage Network (HHN)
- Women’s Initiative for Networking and Success (WINS)
- Black Employees at McGraw-Hill (BEAM)
- Gay, Lesbian, Bisexual and Transgender (GLBT)

Motorola

Motorola's diversity councils help integrate inclusion into its marketing, community involvement, recruitment and employee development initiatives. Led by senior executives and open to any Motorola employee, the councils sponsor inclusion events, collaborate with external inclusion organizations, raise awareness and mentor employees. Our councils include:

- Asian Business Council — United States
- Black Business Council — United States
- Gay, Lesbian, Bisexual and Transgender Business Council — United States
- Latino Business Council — United States
- People with Disabilities Business Council — United States
- Women's Business Council — Canada, China, India, Japan, Korea, Malaysia, Singapore, United States and Europe, Middle East and Africa region
- State Diversity Councils (United States) — Arizona, Florida
- Country/Region Diversity Councils — Columbia, Central America, Mexico, Peru, Puerto Rico, South Africa, Venezuela
- Business/Function Diversity Councils (Global) — Home & Networks Mobility, Law, Enterprise Mobility, Technology
State Farm Insurance Company

State Farm recognizes that employees have long met informally to network, mentor each other, develop professionally, and assist the Company in various ways. Our policy allows employee groups to meet more formally and seek recognition as State Farm Employee Resource Groups.

At State Farm, Employee Resource Groups are committed to serving as a resource in the areas of employee growth and development, recruitment, and retention to help us meet current and future needs for a more diverse customer base and employee workforce.

Any State Farm employee who supports the Group’s business purpose is welcome to join and do not need to be a member of the demographic segment the group is formed around in order to participate.

We currently recognize Employee Resource Groups formed around the following demographic segments:

- African American/Black
- Asian
- Gays/Lesbians/Bisexuals/Transgender
- Hispanic/Latino/Latina
- Military/Public Service in Canada
- Men
- Parents/Families
- People with Disabilities
- Women
- Young Adult

Sun Microsystems, Inc.

An Employee Resource Group is a network of Sun employees who share a common identity, characteristic, or set of interests. Employee Resource Groups exist for the betterment of Sun, engaging themselves in initiatives and activities which contribute towards Sun’s success and which insure a work environment in which each candidate, employee, and customer is treated with respect, dignity, fairness, and cultural sensitivity.

The efforts of Sun’s Employee Resource Groups complement Global Inclusion’s focus areas of Attracting and Retaining diverse top talent and the Attraction and Retention of a diverse global customer base.
Interested employees voluntarily subscribe to Employee Resource Groups through established online aliases. These aliases, open to all interested employees, provide members with opportunity to exchange information and ideas, network with those sharing similar interests, and plan sponsored activities.

Employee Resource Groups:

- Asian American Diversity Network (AADN)
- Black Employee Network (BEN)
- Gays, Lesbians, and Friends (GLAF)
- Society of Latinos (SOL)
- SunWomen
- Legal Diversity Council
- Interns @ Sun
- Global Inclusion Community

Walmart

The Associate Resource Groups are committed to advancing our business by leveraging the diversity of our associates to become and employer and retailer of choice in the communities we serve, and by providing advice on culturally appropriate products and advertising.

The Associate Resource Groups are open to all associates at the Corporate Office and they include:

- Asian Pacific Islander Associate Resource Group (API)
- Hispanic Latino Associate Resource Group (HLARG)
- Leading and Empowering Associates with Disabilities Associate Resource Group (LEAD)
- Lesbian, Gay, Bisexual & Transgender Associate Resource Group (PRIDE)
- American Indian and Alaskan Native Associate Resource Group (Tribal Voices)
- African American Associate Resource Group (UNITY)
- Women’s Resource Council (WRC)

Currently, there are more than 2,000 associates participating in the Groups at our Corporate Office, and 30 corporate officers serve as executive sponsors by providing counsel, advice and support to members.
Associate Resource Groups are making a difference in the way we do business by focusing on the following objectives:

- Diversity best practices insight
- Business support
- Associate Development
- Community Involvement
- Recruitment and retention

**Weyerhaeuser Company**

Diversity Business Networks are employee resource groups that create a sense of belonging for employees and assist with recruitment, retention, work climate, and a culture of diverse talent. Our current groups include:

- ACCESS
- Community Overcoming Labels, Opening Minds & Reducing Stereotypes (COLORS/GLBTQ)
- Generation Next (Gen Nex)
- Hispanic Opportunities for Leadership Achievement (HOLA)
- Weyerhaeuser Black Employee Alliance (WBEA)
- Women in Action

**Xerox Corporation**

Independent employee caucus groups play an important role at Xerox, advocating self-development, openness, equal opportunity and inclusion for the entire Xerox community. Groups representing Women, Blacks, Hispanics, Asians, and Gay, Lesbian, Bisexual, and Transgender employees provide members with an avenue to improve society via their activities and success.

- Black Women’s Leadership Council (BWLC)
- Gay, Lesbian, Bisexual, and Transgender Employees (Galaxe Pride at Work)
- Hispanic Association for Professional Advancement (HAPA)
- National Black Employee Association (NBEA)
- The Women’s Alliance (TWA)
- Asians Coming Together (ACT)
Case Study: ConAgra Foods

At ConAgra Foods, Employee Resource Networks (ERNs) are the key ingredient in the recipe for creating a diverse and inclusive culture. In just two years, ERN participation has grown from 200 members in four networks to more than 1,200 active participants in six networks across the United States. The catalyst for growth is the result of a 2007 strategic planning process which brought together a cross-functional team of employees to map out the company's first ever, comprehensive strategy for Diversity and Inclusion.

Using the new strategic plan as the foundation, there was clear opportunity for ConAgra to relaunch existing ERNs and expand the networks to align with the company's strategic objective to nourish its people in order to attract, retain, and engage its employee base. To enable the ERNs to impact the transition in culture, specially designed charters outline the opportunity to further advance company strategy and include initiatives to accelerate innovation in product development and human capital processes, build teams of external advocates for recruiting and community outreach, and develop members both personally and professionally. ConAgra Foods' current ERNs include the ConAgra Asian Network, ConAgra Black Employee Network, ConAgra Latino Network, Illuminations (Lesbian, Gay, Bisexual, Transgender, and Allies), Young Professionals Network, and the Women's Leadership Council (WLC).

Neighborhood Approach

A primary challenge of the ERN relaunch was to expand the benefits of the network to employees outside of the Omaha, Neb. headquarters location, while maintaining a consistent, operational structure. The concept was to charter each network as a single community made up of neighborhood locations. For example, WLC neighborhoods include Omaha, Naperville, Ill., Edina, Minn., Kennewick, Wash., and Field Sales. The WLC network lead is mentored by a senior executive on the CEO's leadership team and each neighborhood leader receives additional support from a network member at the vice president level. This neighborhood approach is very effective in connecting women across the organization, while meeting regional and functional needs. To facilitate the sharing and planning of events and monitor initiative progress, neighborhood leaders conduct monthly conference calls, manage a Microsoft SharePoint site on the employee intranet, and host development webinars.

Emerging Leaders

ERN members work together to provide unique insights to engage a diverse work force and create products to reach an ever-changing consumer base. Each year, they choose projects that tie directly to a business priority and are given the opportunity to report and present their results to senior leaders. As a result, the neighborhood and project lead roles are highly sought after by network members because of the skill development and visibility
opportunities. In addition, the network sponsor, executive vice president of Human Resources, and vice president of Diversity and Inclusion meet annually to discuss viable candidates for ERN leadership positions as a part of the talent management process. In 2009, to proactively develop employees who volunteer for and accept the ERN leadership challenge, the organization launched a full-day Leadership and Learning Lab as one of ConAgra Foods’ signature leadership development programs.
Case Study: Ernst & Young

As one of the Big Four auditors, Ernst & Young knows how to treat its global clients, catering to unique cultural needs and providing vast professional services. But with a diverse employee population of more than 130,000, catering to their needs and providing services can seem like a daunting task. In an effort to provide top-level support and service to employees and clients alike, Ernst & Young has discovered the value and importance of internal network and affinity groups.

Between 1995 and 2005, there was a 79 percent rise of minority employees at Ernst & Young. With that number continuing to increase, inclusion is a high priority. “Inclusiveness is embedded in our culture,” said Petty Homan, an audit manager from Chicago. “We’re very proactive in creating and supporting affinity groups,” or People Resource Networks (PRN), as they are called at Ernst & Young.

At E&Y, PRNs are specifically designed to give members of minority groups a setting to connect with professionals with similar backgrounds, ask questions, exchange information, and share experiences. The largest PRNs are the ethnic groups: African American, Hispanic, and Asian Pacific Islander. These provide vast opportunities for local minorities to network with their peers and colleagues through activities with each other and the community. Ernst & Young encourages members to become involved with external organizations such as the National Association of Black Accountants, the Association of Latino Professional in Finance and Accounting, and the National Asian American Society of Accountants. This fosters personal and communal growth and development.

While the ethnic PRNs are the largest, they were not the first. bEYond was formed years ago as a network for lesbian, gay, bisexual and transgender people. Ernst & Young frequently ranks in the top ten lists for GLBT-friendly companies. The affinity group bEYond works to rid the organization of discrimination due to gender identity/expression. Its greatest success came when Ernst & Young was the first of the Big Four to score a 100% rating on the Human Rights Campaign equality index. bEYond has active chapters in almost all of the major cities in the U.S. and Canada.

Ernst & Young is also a pioneer for inclusion and rights of workers with disabilities. The PRN AccessAbilities raises awareness about disability issues in the workplace while providing guidance for those affected. AccessAbilities also holds frequent conference calls as a forum to discuss how the firm can improve its support of people with disabilities. The Abilities Champion Network strives to ensure that the message of disability-awareness is included in all communications, meetings, and events. Ernst & Young also offers a unique Network for Parents of Children with Special Health Care Needs that allows parents to connect with each other and with outside professionals for advice and support. Not only does this network hold confidential monthly calls, it also sponsors six condition-specific subgroups.
Parents also have networks and PRNs within Ernst & Young. My JournEY was created over 10 years ago as a sponsor of programs and resources specifically for working parents, both men and women. More recently, it has organized and created the Working Moms Network, a support system that promotes connectivity, networking, and mentoring opportunities for all mothers. Almost 2,000 women and men participated in its launch conference call in 2006. Area groups meet quarterly to discuss topics, share best practices, and advise each other on being working parents. My JournEY also includes the Working Dads Network, a full lactation program, concierge services, and back-up child and adult care.

Beyond that, women at Ernst & Young have multiple resources for their growth and development. PLAN is a network that provides mentoring opportunities with Executive Board members. ACCESS connects women who are actively pursuing positions of partnership or leadership. Professional Women’s Networks, and a variety of subnetworks, work internally and externally to raise the status of women in the business and auditing world.

Overall, employees at Ernst & Young feel valued and connected with the large presence of networks and affinity groups. These programs foster communication within a minority group while providing an excellent means for feedback to senior management about diversity strategies.
Case Study: General Electric

Ranked by Forbes as the world’s largest company, General Electric began its diversity initiative as a U.S.-based program but has since grown it to encompass the company’s global efforts. Deborah Elam, the company’s chief diversity officer, shares that GE’s diversity initiative is integral to the company’s success. “No matter where we [General Electric] work or do business, we want to attract and retain the very best talent,” she said.

As part of the company’s diversity initiative, GE’s employee network groups are critical to the company’s diversity mission and aid it in attracting, retaining, and developing the best talent. General Electric operates six network groups: the African American Forum, the Women’s Network, the Hispanic Forum, the Asian-Pacific Forum, the GLBT Forum, and the Native American Forum.

Each of the network groups offer mentoring, coaching, and networking opportunities and help to create opportunities that allow for interaction between the network group members and GE senior executives. The company reports that more than 20,000 women participate in the Women’s Network programs.

Additionally, GE’s African American Forum and Women’s Network both have active chapters for employees based outside of the United States as offered many of the same programs abroad that it offers here.

The company’s network groups began as volunteer, grassroots efforts and were primarily used as network and social opportunities for company employees. These groups now aid group members by helping them develop the attributes they will need to further their careers within the organization. The network groups also each follow four basic steps that are considered vital: develop your vision, get buy-in from senior executive leadership, appoint a national champion, and develop a business plan.

“At General Electric, our diversity initiatives are not just ‘flavor of the month.’ They are a part of every general manager’s measurements. And our diverse workforce is really part of our culture and part of our success. It’s who we are, it’s constant,” said Steve Canale, manager of recruiting and staffing services for General Electric.

Tamla Oates-Forney, program manager for GE’s “Global Employer of Choice” initiative explained that each of the company’s minority network groups aid the company in “assimilating cultures and recruiting, orientation, career development, promotion, retention and more.” Forney noted that newly hired women and minorities at GE are put in touch with appropriate groups when they start and the groups pair them with mentors.

General Electric leaders from each of the company’s different business offerings serve as advisors to the network groups, and CEO Jeffrey Immelt also shares in the experience.
GE’s network groups raise scholarship money, and the GE Fund provides more money through a matching gifts program. The GE Fund also gives grants to help underwrite middle and high school students from diverse backgrounds to get them interested and help them get ready for college-level math and science.

“We’ll have African American female leaders and corporate executives serve as mentors and conference speakers,” Oates-Forney said. “It shows that we are interested in bringing in diverse people at the entry level, and we want to continue to grow them and keep them within the corporation.” All of these efforts are part of GE’s commitment to become the global employer of choice.