

# EMPLOYEE NETWORKING AS A BUSINESS PARTNER

In this new reality, employee resource groups are becoming more and more valuable and powerful. In an environment of isolation and lockdown, networks maintain a sense of belonging, integrate the community while accumulating and sustaining commitment - all of which employers need today. However, how can we support the networks to help achieve business goals and to ensure that both parties benefit?

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Employee resource groups (ERGs) as employee networks around collective challenges, interests or identities that define different dimensions of diversity (such as gender, nationality, orientation or disability) are essential elements of corporate communities. Their origin story spans more than half a century and has evolved with business, from informal groups integrated around social issues to being a vital pillar on which major companies' diversity and inclusion (D&I) strategies are based. Suffice it to mention that all of the top 50 diversity management organisations in the DiversityInc 2020 ranking have ERGs in their resources<sup>1</sup>.

Within this perspective, ERGs serve as a factor integrating social goals with business, supporting the development of an open, diverse and inclusive workplace. The attractiveness of networks also involves the fact that their nature matches the strong global trend towards the emergence of a social economy responding to the need for positive business impact. Following the trend of being good, they are forcing brands - including employer brands - to be more socially responsible<sup>2</sup>. Moreover, they seem particularly interesting for younger workers - by far the most diverse and inclusive generation, seeking more than occupation and a source of income at work, and the idea of improving the world to some extent fulfils the purpose of this desire. More than anything, however, ERGs now provide a sense of belonging, closing the gap left by the social contacts so severely reduced in the last year. Their social benefits can be long listed, as can the business justifications for the network's activities: support in problem solving, contribution to business development (including products and services), translation into recruitment and talent development, strengthening of the employer brand, building diversity<sup>3</sup> policy and the achievement of CSR objectives.

## ENGAGEMENT, AND THEN WHAT?

Therefore, ERGs are important. But are they noticed? And how can we ensure that they cease to be treated as part of the corporate colour scheme and become the audible voice of a specific group of employees? Finally, how to bring about the real change they strive for? Obviously, as long as the goal itself is not just integration or spending time together.

The answers to these questions, as with any organisational effort, are clearly defined goals, roles, processes and measures, and a correlation to corporate strategy. These factors distinguish ERGs from support groups or other communities outside the work environment<sup>4</sup>. When a network operates as a spontaneous spur-of-the-moment

initiative or action based on the efforts of individuals - without investment of funds, resources and support from the organisation - it is most likely doomed to failure, despite the enormous commitment that networks cannot deny.

Engagement is the glue that binds employee networks together. - I believe that a more appropriate name for ERGs would be 'engaging resource groups' because, if you are not engaged, you cannot make a difference. It is the ingenuity of a group of people acting on a voluntary basis that brings a huge benefit to an organisation, elevating it to the next stage of development, - emphasises Dominika Czyżowska, Information Manager and Co-leader of D&I at HSBC. Furthermore, she lists the skills necessary to launch an employee network. - First and foremost, be a salesperson and demonstrate your marketing competence. Remember, there are no poor ideas, only inadequate sales and marketing. That is one thing. Secondly, when you are building, leading or trying to manage a group, you need to get to know people. Not just who they are, what they do, what their roles are, but why do they want to engage with D&I? We all have to consider what motivates us and drives us to get involved - she argues.

## ENERGETIC POTENTIAL

Network activity is generally based on employee volunteering, so all forms of support and recognition are an important driver and strength. Nevertheless, a number of managers are unaware of the challenges faced by network leaders, missing the opportunity to make optimal use of networks and consider them as incubators of leadership<sup>5</sup>.

Recent Great Place to Work<sup>®</sup> research reveals a gap in support for ERGs between the perspectives of network leaders and managers - including the executive sponsorship role, responsible for ensuring that ERGs' activities are aligned with the company's values and business goals. While 100% of executive sponsors believe that company management encourages participation in ERGs, only 52% of network leaders are in line with that view. Similarly, 78% of executive sponsors think that involvement in ERGs supports career development, while just 40% of network leaders agree<sup>6</sup>.

Such a substantial discrepancy suggests the need to act according to a deliberate strategy and to plan investments in building and implementing D&I activities. Of course, this perspective shifts if the sponsor is involved in the activities of the network of ERGs, reinforcing the impact with its leadership at higher levels of the organisation, brokering decisions, communicating ideas and pushing initiatives.

Smart use of ERGs' involvement can significantly help the organisation's interests. A prime example is the relocation of Toyota Motor's headquarters, which used its networks to help assess and support the process, resulting in an employee retention rate of 65%, while the average rate for similar corporate relocations was 24%<sup>7</sup>.

There are mutually rewarding benefits if the network incorporates objectives that support the company's strategy in its activities, if it respects corporate values and if it is aware of its impact and accepts responsibility for change within the organisation. For example: by cooperating with and supporting a network that works for women, we consider it as an important voice of women. The employee network defines challenges, introduces ideas, develops solutions, the boundaries of which are determined by business objectives - explains Wojciech Cichoń, Member of the Capgemini Polska Board and Managing Director Business Services Eastern Europe. - At Capgemini we care deeply about D&I. We talk about diversity in terms of gender, age, education, background, variety of roles and physical ability. Our employees have different backgrounds, education and customs as some of them are also foreigners. We concentrate on ensuring that everyone has equal opportunities in co-development and co-operation, including within internal networks, - he concludes.

At the same time, responsible business should be consistent in its strategy to support social goals. It is difficult to perceive authenticity in the commitment to external initiatives, e.g. for senior citizens, in the absence of support for its ERGs created by its oldest employees.

## SUPPORT FOR NETWORKS

Which competences are needed by ERGs to develop their activists and resources? Last year, State Street Bank International, which has up to 110 sections of ERGs within its structures, implemented a global survey of competency requirements among their male and female leaders, who indicated in which areas they would expect support. Among the responses from 86 female and male network leaders (41 from Europe), communication skills, collaboration, empowerment and responsibility, goal setting and decision making, flexibility, trust, project management and strategic thinking were at the top of the list. Monika Jankowska-Rangelov, Director of Inclusion and Diversity Europe at State Street Bank Poland, refers to the company's mission and values: - "When it comes to employee networks, one of our key principles is 'global force, local citizen', which I interpret non-literally as 'we act globally, we think locally'. Every location in which we operate and have a presence has a different set of needs, arising not only from personality, of course, but from a number of external factors - such as the political, economic or social situation in a given country. It is important to remember that Europe is highly diverse, so initiatives which are required and successful in Ireland will not necessarily work in Germany or Poland. However, the development needs of leaders and activists in networks are common to all, regardless of the location of their activities.

At the Diversity Hub we have been working on workforce networks for several years: investigating the needs within the framework of Task Forces, developing solutions and policies, collaborating with networks in the organisation of diversity events, training leaders, writing articles and scientific papers, implementing projects to support ERGs. The outcome of this work allowed us to launch the Grassroots in Action support centre<sup>8</sup>, responding to the demands of male and female network leaders, strengthening their potential which translates into organisational development and building an inclusive work culture. The programme of the Polish centre was created on the basis of our experiences, inspired to a large extent by the American grassroots movement and the experiences of companies from the USA, which constitute a source of good practices and interesting solutions that we share - convinces Anna Zaroda-Dąbrowska, the initiator of the centre.

From the perspective of both the leaders and members of the networks and the recipients of their activities, people representing employee networks from more than 20 organisations operating in Poland have identified areas for development in our internal qualitative research. The findings revealed that the needs of networks in terms of knowledge, skills, tools and processes are high. To be effective and influential, ERGs have to operate as a strategic business partner, developing community and resources for their organisation. This is what we want to teach network leaders - emphasises Anna Zaroda-Dąbrowska. - According to our experience of working with employee networks, four areas emerge that require strengthening: firstly, competence development, which we provide through a series of workshops, moderated online panels or mentoring; secondly, tools to improve network management. Another, is support for activities promoting the achievements of networks, and hence the idea for a competition of D&I projects or presentation of the best business practices. Equally important is the integration of networks, facilitated - paradoxically - by the conditions of remote working forced by the pandemic situation. Collaboration among networkers in a global perspective has become easier and more feasible. Among the participants of the Centre's activities there are networks focused on intercultural, parenting, LGBT+ and women's issues, although it remains open to work with people from different networks, based on the assumption that workers are never one-dimensional and that their needs remain universal. It is essential to explore and connect in a multidimensional context, discovering commonalities while responding to individual needs, creating a common place for integration, inspiration and development, - she concludes.

## HOW TO BRING OUT THE DRIVING FORCE?

Day-to-day we work with ERGs, which are focused on building a sense of belonging and inclusion, but their activities are not institutionally based; others, despite their involvement, do not achieve results, because so far they practically did not inform the company about their activity and its results - lists Michalina Konkul - an expert on inclusive leadership in Diversity Hub. - Therefore, at the Grassroots in Action centre we focus heavily on building the

influence of those leading the networks, identifying methods of action based on inclusive, supportive leadership and sharing of responsibility to create stable structures and sustainable projects. We are committed to enable network leaders to formulate objectives, define the problems faced by a group of ERGs, develop a strategy and link it to the organisation's strategy, strengthen the network's relevance and impact. So that they can develop methods to engage, mobilise and find support at different levels of their organisations. So that they know how to convince executive sponsors with the language of business benefits, to establish relationships, to communicate activities effectively, to win allies and to recruit new members. But most importantly, they should receive support, including colleague support, throughout the planning and management process: from designing activities, to distributing responsibility, to measuring effectiveness and translating measurements into business benefits. The hub is not only a space for development, but also for cooperation between networks, for sharing experiences and promoting the achievements of networks and their leaders, she emphasises. Participation in the Diversity Hub initiative is free of charge for male and female leaders of employee networks, as a pilot version of a self-designed programme supporting the development of ERGs, which starts in 2022.

The authors of the above-mentioned Great Place to Work® study, argue that when networks have 100 or more employees, they are twice as likely to be strategic resources for their organisations. Encouraging employee networks requires commitment at multiple levels of the organisation, involves an investment of time and resources, and forces effort, but properly directed ERGs' energy produces tangible benefits. Jo Anne Hill, Executive Director of D&I at Piedmont Healthcare, notes that the evolution of D&I across the company can be demanding, just like a difficult yoga pose. - If you've ever done yoga, and I do yoga every morning, even though some of the positions are uncomfortable, I see progress and more agility. Here I see the essence of diversity and integration<sup>9</sup>. The only thing you need to do is to analyse your abilities, believe in their proficiency and simply start acting.

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3 B. Markowska, T. Dąbrowski, *Sieci pracownicze – wyzwania, potencjał i kierunek rozwoju*, „Personel Plus” 2018/11, s. 56.

4 See: <https://www.greatplacetowork.com/resources/blog/our-company-cultureexperts-answer-your-top-erg-questions> (access: 2.03.2021 r.)

5 See: <https://www.greatplacetowork.com/resources/blog/new-research-shows-leadersare-missing-the-promise-andproblems-of-employee-resource-groups> (access: 2.03.2021 r.)

6 Ibidem

7 See: <https://www.greatplacetowork.com/resources/blog/our-company-cultureexperts-answer-your-top-erg-questions> (access: 2.03.2021 r.)

8 In 2021 the Centre's partner is the US Consulate General in Krakow, enabling companies to benefit from the support of their networks free of charge <http://grassrootsinaction.org>.

9 See: <https://www.fromdayone.co/2020/06/08/collaboratingfor-inclusion-the-influence-of-employee-resource-groups/> (access: 2.03.2021 r.).

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