

# 2010 State of LGBT ERGs Report

## Executive Summary

Lesbian, gay, bisexual and transgender employee resource groups (LGBT ERGs) are strong.

Overall, that is the assessment based on a survey of nearly 600 LGBT ERG leaders from around the world. While ERGs face many challenges, they also provide value among many – and diverse – initiatives along the LGBT workplace spectrum. The number of LGBT ERGs formed continues to rise, and, compared to two years ago, more existing ERGs see themselves as leaders at what they do.

ERG leaders are reporting activity in exciting new horizon initiatives. Nearly one-third of ERG leaders report that their company provides LGBT self-identification in one of two identified best practices: anonymous self-ID on company-wide employee engagement surveys or confidential LGBT self-ID in human resource records.

While not yet a majority, 42% of respondents report their company is taking visible steps to support the Employment Nondiscrimination Act (ENDA), legislation that would provide federal protection for the LGBT workforce, and 53% say their ERG encourages support of public policy and legislation on LGBT equality.

In their programming, LGBT ERGs provide much more than a social network, although networking continues to be a strong value for a majority of ERGs. They provide value to their employee-members, their companies and to the greater community. Nearly all promote policies (91%) and LGBT visibility (89%) to create inclusive workplace. Nearly three-quarters also provide LGBT leadership development opportunities. They support the bottom line as well: 76% assist in LGBT recruiting and 59% drive LGBT marketing and client opportunities. LGBT ERGs also look beyond their walls and promote a better society through LGBT cultural event participation (76%), coordinated volunteerism (73%) and financial support for LGBT causes (59%).

ERGs do face many challenges, but the most common ones are those they have in their power to surmount. Nearly all (94%) report member interest or engagement as a top challenge, as well as closeted employees (84%) and leadership burnout (76%). However, a minority (albeit a large one) report lack of managerial support (47%) and religious or social opposition (42%) as a challenge, with very small minorities reporting these as major challenges (11% and 10% respectively). While three-quarters of ERG leaders report a lack of monetary resources as a challenge, fewer budgets have been eliminated entirely, with 11% reporting no budget at all, down 8% from 2008.

Ultimately, LGBT ERG leaders are addressing these challenges in creative ways, while retaining a passion for what they do. As one leader expressed, “It’s important to be out and visible at work.”

# 2010 State of LGBT ERGs Report

## Introduction

The *State of Lesbian, Gay, Bisexual and Transgender Employee Resource Group (LGBT ERG) Report* is produced by Out & Equal based on survey data collected from leaders of LGBT ERGs from around the world.

It has been two years since the last *State of LGBT ERGs Report*, and in that time, many things have changed; a great recession reduced or eliminated ERG budgets and destabilized membership through layoffs and relocations. Yet, the number of LGBT ERGs continues to rise, including marked increases in different sectors, such as healthcare, higher education and government agencies. The number of respondents to the survey more than doubled from 2008. While many of the trends show that ERGs continue to make great strides – even with fewer resources – the challenges continue as well.

This report provides a general overview of the LGBT ERG landscape, including:

- A snapshot of LGBT structure and leadership
- The initiatives through which LGBT ERGs provide value to key stakeholders
- The emerging role ERGs are taking in key issues advocated by Out & Equal
- The most common challenges and resource needs of LGBT ERGs

While not a scientific study, this survey and report provides current and future ERG leaders with information that will allow them to benchmark their own programming, challenges and accomplishments. It will help ERG leaders identify new ideas and trends among other ERGs.

Sections 1 and 2 address LGBT ERG initiatives, beginning with those emphasized by Out & Equal: ally LGBT self-ID and support for the Employment Nondiscrimination Act (ENDA). This is followed by programming, or “ERGs Providing Value,” an expansion from the 2008 survey using the “ERG value proposition” framework formulated by Out & Equal. Much of that framework is based on data from 2008, as well as many conversations with ERG leaders over several years. Section 3 examines challenges, how ERGs are addressing them, and ERG needs. Section 4 looks at the LGBT ERG landscape in structure, budget and leadership. An appendix shares selected raw data from the survey.

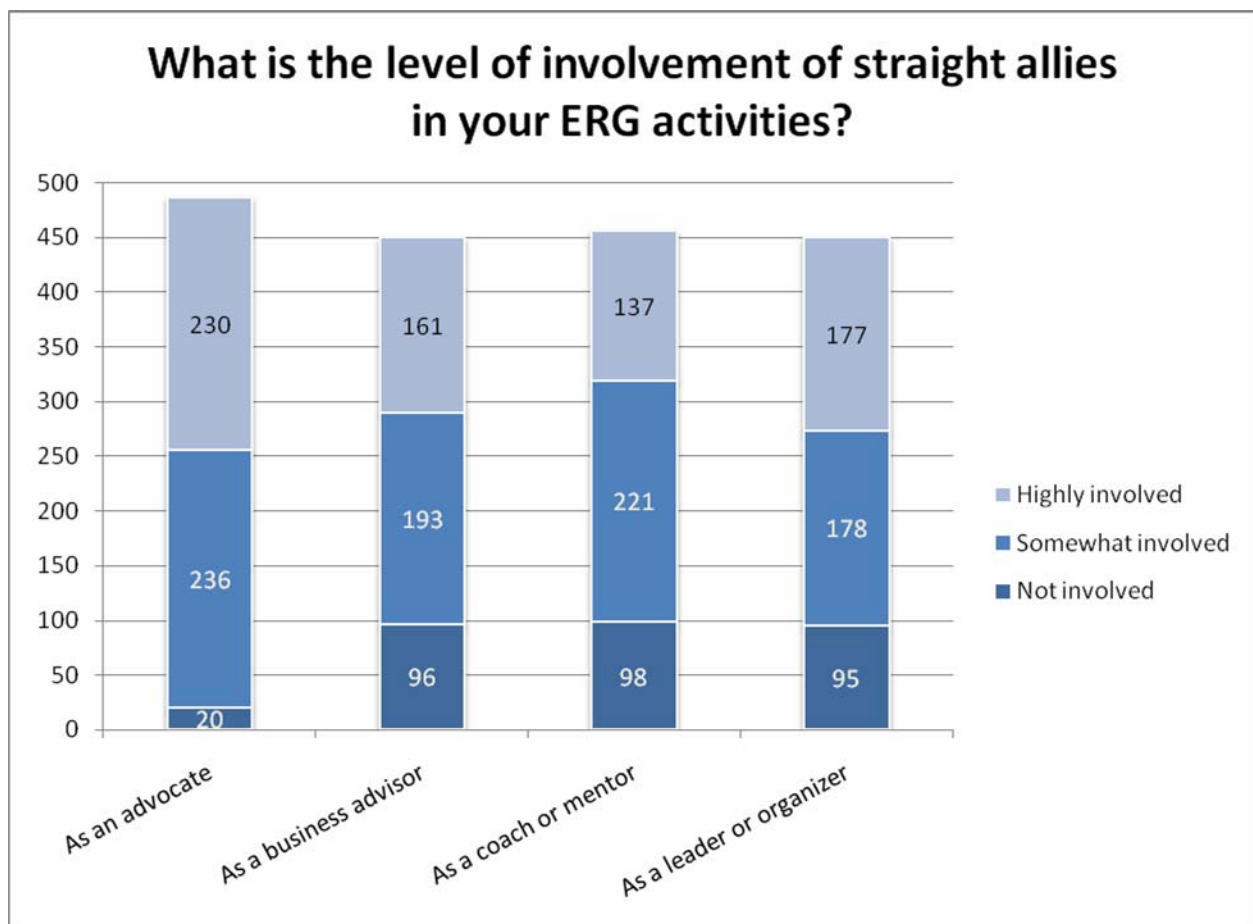
It is the ultimate hope that this report will spur on new ideas, and sharpen existing ones, to make LGBT ERGs more efficient and effective at creating workplaces where all LGBT people can feel safe, valued and equal.

## Section 1: Key Initiatives

Out & Equal promotes key horizon initiatives, in particular LGBT employee self-ID and support of an inclusive Employment Nondiscrimination Act (ENDA). ERGs have always led the way on initiatives that support LGBT workplace equality, such as internal nondiscrimination policies and domestic partner benefits, and their work on these issues remains important. While more ERGs are seeing progress on these two initiatives, the survey shows that more can still be done in these areas.

### Ally Engagement

Allies are non-LGBT supporters of the community, and their engagement has been one of the more successful outreach efforts of ERGs. Recognizing that allies are key to successful LGBT inclusion efforts, ERG leaders reported the success of ally engagement in their comments in all areas of the survey, whether in joint efforts with non-LGBT ERGs for budget solutions or increasing member interest. Specific to the LGBT ERG, respondents report the highest level of involvement for allies are as advocates (96%), yet a significant majority report some level of ally involvement as business advisors, coaches/mentors and as an organizational leader.

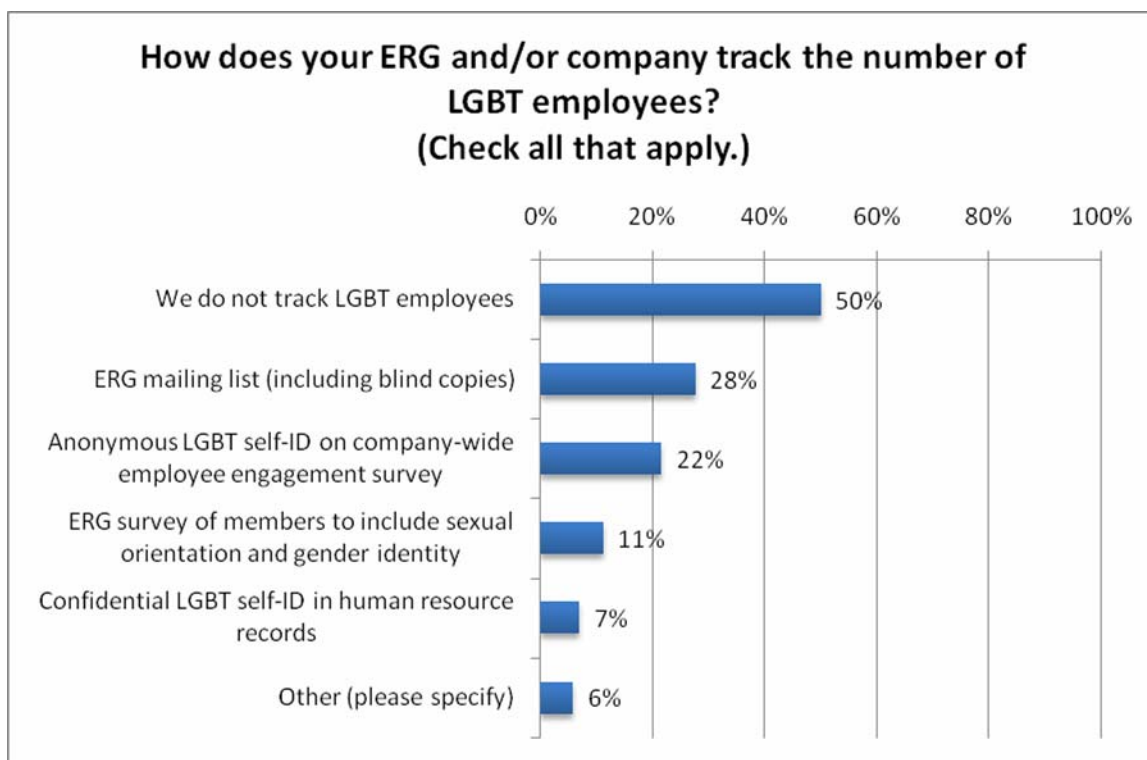


Comments indicate strong ally participation in many ERGs:

- “Our participation base is [greater than] 75% allies”
- “We stated a goal of a 3:1 ratio (Allies:LGBT) and have always maintained that level of participation.”
- “Straight Allies comprise half the seats on the LGBTA committee.”

### LGBT Self-ID

While the number of companies that are conducting voluntary LGBT self-ID data has increased from only a handful to many, 50% of respondents report their company does not collect employee LGBT identity information. Only 28% of respondents report their company collects this information in two identified best practices, anonymous self-ID on company-wide employee engagement surveys or confidential LGBT self-ID in human resource records.



N=492

“Other” includes:

- “We currently do not track LGBT employees, but plan to do so using employee engagement surveys beginning in 2011.”
- “Tracked through the number of associates who are signed up for Domestic Partner Benefits.”

- “Firm-wide confidential survey self-ID question.”

Cross-referencing data of respondents and their parent companies show that 17 companies represented here include LGBT identity in confidential human resource records, and 48 companies include LGBT self-ID in their anonymous company-wide employee engagement survey. With some reporting both forms of self-ID, this totals 54 respondent companies. While this is dependent on ERG leaders’ reporting of this activity and may not accurately reflect actual corporate policy, it shows a great increase in this important step for all LGBT employees to be valued and counted. These data can provide much-needed metrics on LGBT recruitment, retention and employee satisfaction.

### **Employment Nondiscrimination Act (ENDA)**

Federal protection from discrimination based on sexual orientation or gender identity is a fundamental baseline for LGBT employees to have equal opportunities in the workplace. While 42% of respondents report that their company is taking visible steps to support this important legislation, this shows a clear majority are not. Actions that show commitment to this issue are membership in the Human Rights Campaign’s Business Coalition for Workplace Fairness and a reiteration of their company’s own policies of nondiscrimination.

Indicative comments on ENDA support:

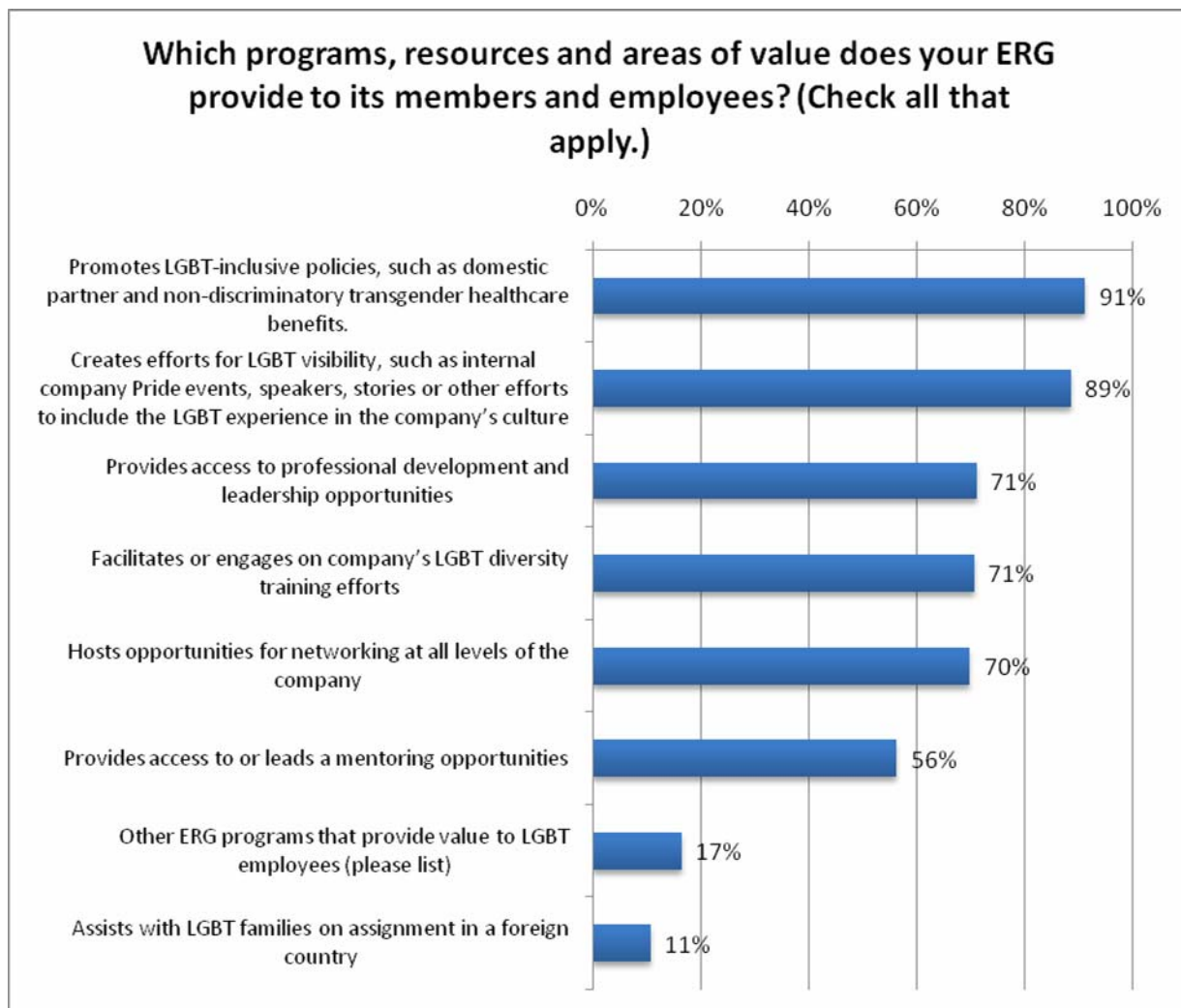
- “Internal memo to [all] employees.”
- “[Corporate] letter of support to our senators and congressmen.”
- “CEO wrote letters to chairs of government committees.”

## Section 2: ERGs Providing Value

As outlined in Out & Equal’s “ERG Value Proposition,” successful ERGs find a balance in providing value for key stakeholders: employee-members, the company and the community. With strong numbers in nearly all areas and initiatives, the data demonstrate that ERGs are striving to provide value along a variety of ways.

### Value to Employee-Members

The responses show that LGBT ERGs do strive to provide a broad spectrum of benefits to their members. However, the more traditional efforts of LGBT ERGs continue to dominate the value landscape, with 91% of respondents saying their ERG “Promotes LGBT-inclusive policies, such as domestic partner and non-discriminatory transgender healthcare benefits,” and 89% reporting their ERG “Creates efforts for LGBT visibility, such as internal company Pride events, speakers, stories or other efforts to include the LGBT experience in the company’s culture.”



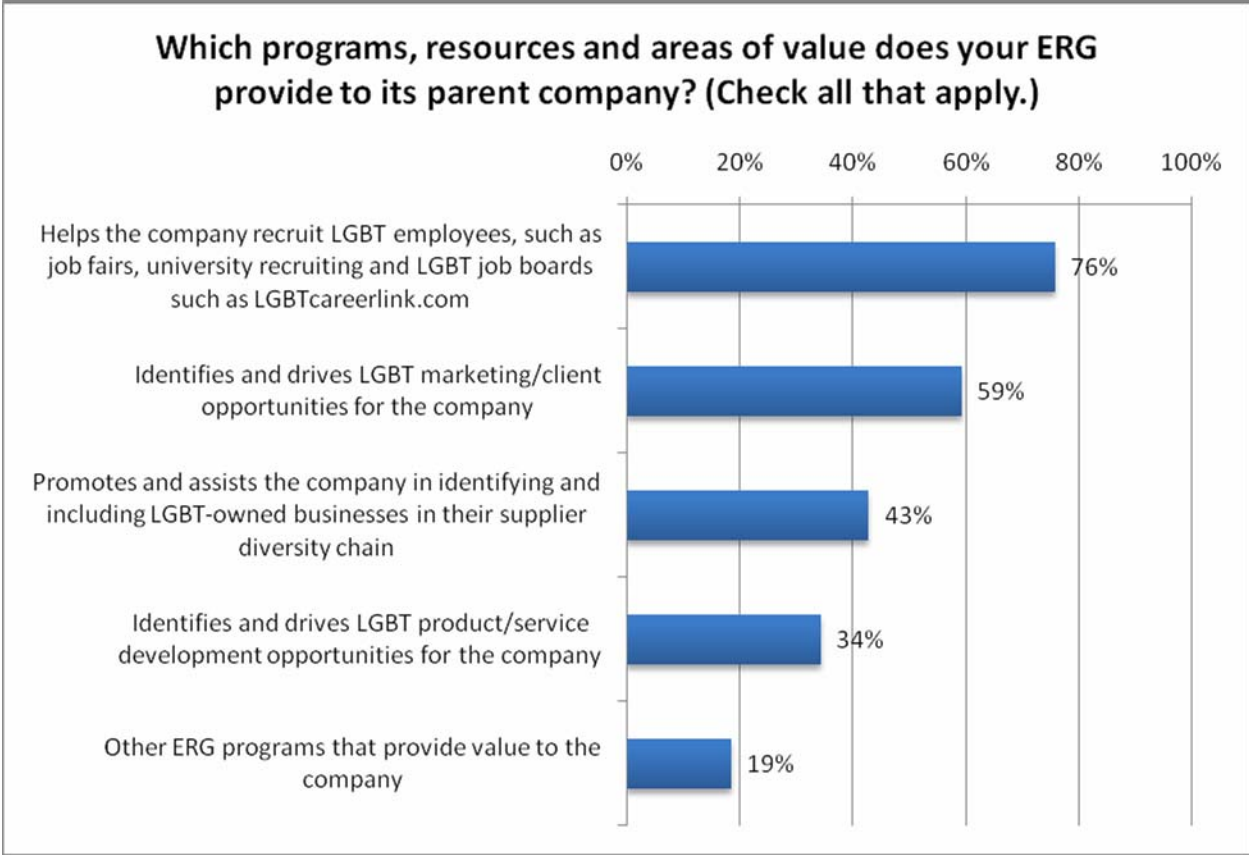
Indicative comments highlight “Other” specific initiatives:

- “Support for employees transitioning in the workplace.”
- “Safe Place program. Internally developed 3 hour class on sexual orientation and gender identity in the workplace: How to behave appropriately, information about transgender, etc.”
- “Our ERG provides employee development opportunities with speaking engagements, learning events and industry-related activities.”
- “Providing evidence to LGBT (and A) employees that the company is supportive of them and does oppose discrimination against them, thus helping to make them more comfortable at work and therefore more productive.”

### Value to the Company

ERGs can provide discernable value to the company – and the bottom line – by aligning and promoting core values and a unique LGBT perspective. Survey respondents show that employee recruitment and retention (76%), and marketing and client development (59%) continue to be key areas of focus.

Newer initiatives, such as assisting with supplier diversity and product/service development, have been gaining ground, with 43% and 34% of respondents respectively reporting those initiatives as value they provide.



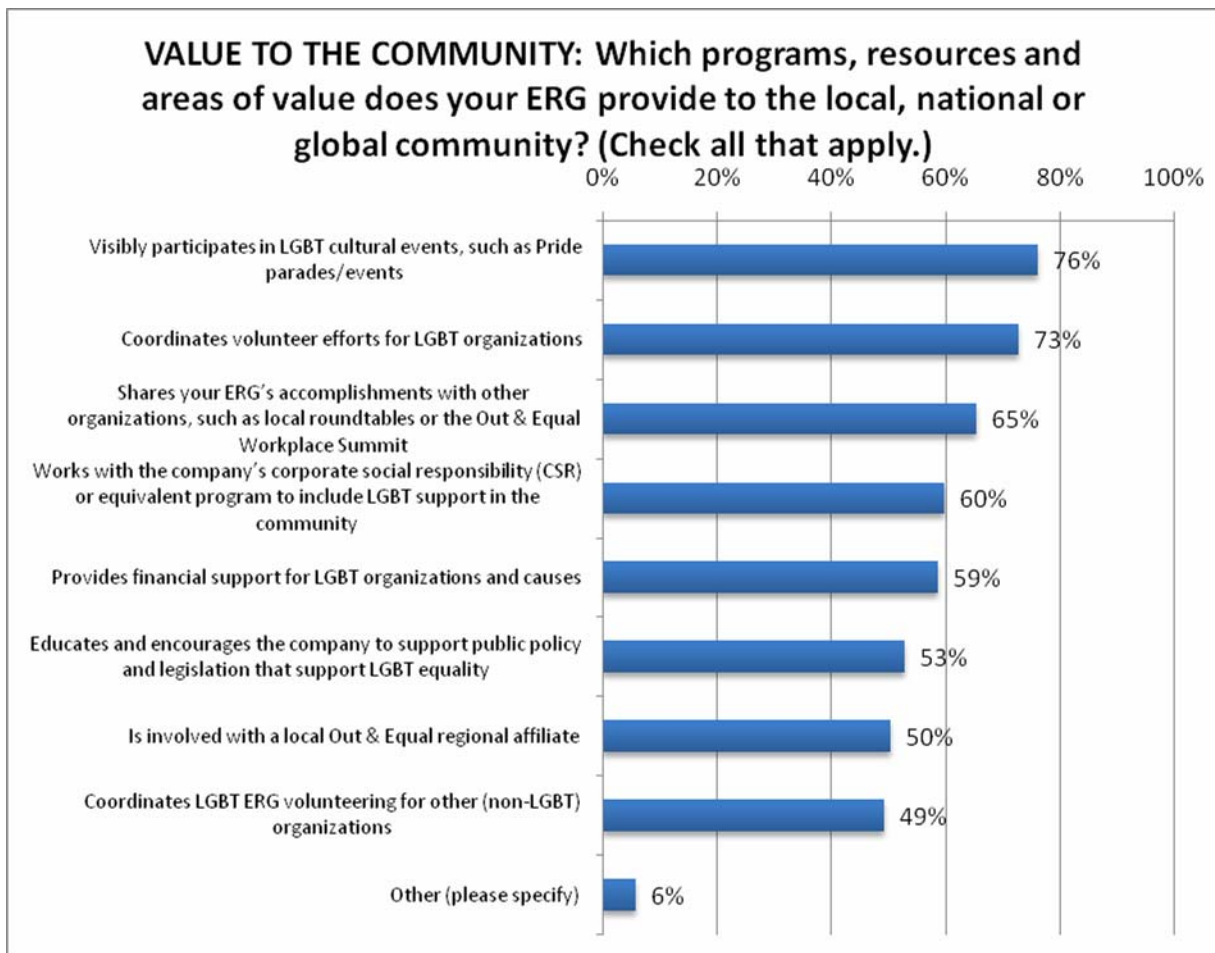
N = 432

Indicative comments highlight specific initiatives:

- “Review of LGBT advertising collateral for brand equities, support to brand equities for outreach in the marketplace, Supplier Diversity support.”
- “Identifies and promotes client relationships based on external LGBT networking, which contribute revenue to the firm.”
- “We have sponsored networking events with client ERGs.”
- “Reinforces great place to work brand attributes.”

**Value to the Community**

ERGs have long seen the critical connection they play between their companies and resources and the LGBT community, traditionally supporting LGBT Pride events and HIV/AIDS fundraising. These efforts can be local, regional or even global in scope. As Corporate Social Responsibility efforts become broader in scope, there are increased opportunities for ERGs to contribute to good corporate citizenship with an LGBT perspective. While approximately three-quarters of respondents report coordinating LGBT volunteering efforts (73%) and visible participation in LGBT cultural events (76%), a majority of 60% report their ERGs are now encouraging corporate support of public policy that drives LGBT equality.



N = 471

Indicative comments highlight specific initiatives:

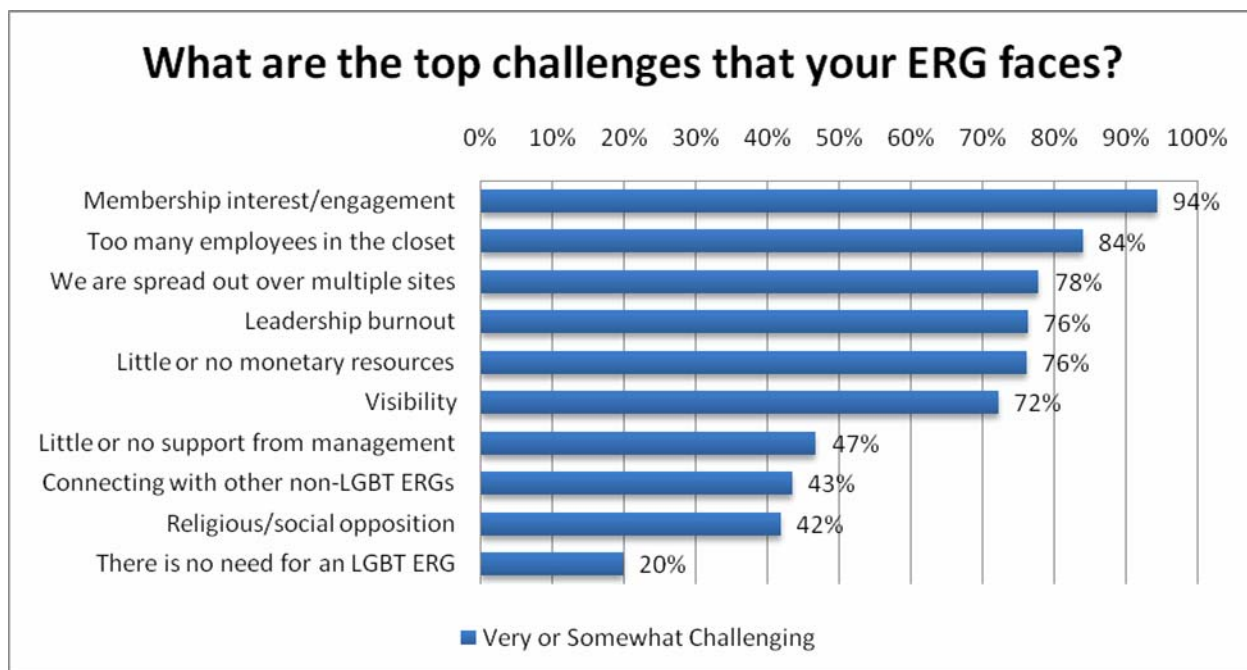
- "HIV/Aids fundraisers"
- "...we push the social responsibility program, we partner with local [LGBT] organizations. We also host a community educational event each year around June - open to government, business, education, medical, religious communities."
- "Promote LGBT human rights overseas"
- "High school Gay/Straight Alliance outreach program"
- "CEO wrote letters to chairs of government committees [endorsing LGBT equality in public policy]"
- "Continue to partner with Legal, HR and Policy groups on [public policy]."

### Section 3: Challenges and Needs

With so many programmatic initiatives and successes, ERGs have been making an impact, but continue to face many of the same challenges.

As in past years, the top challenge continues to be member engagement, with 94% of respondents rating this “somewhat challenging” or “very challenging”. The next most common challenge was a perception of too many employees in the closet (84% reported this either “somewhat” or “very” challenging). Leadership burnout and a dispersed membership also rated as high challenges.

Notably different from the 2008 report, virtually no respondents this year reported a lack of focus or divided priorities among the comments on their top challenges.

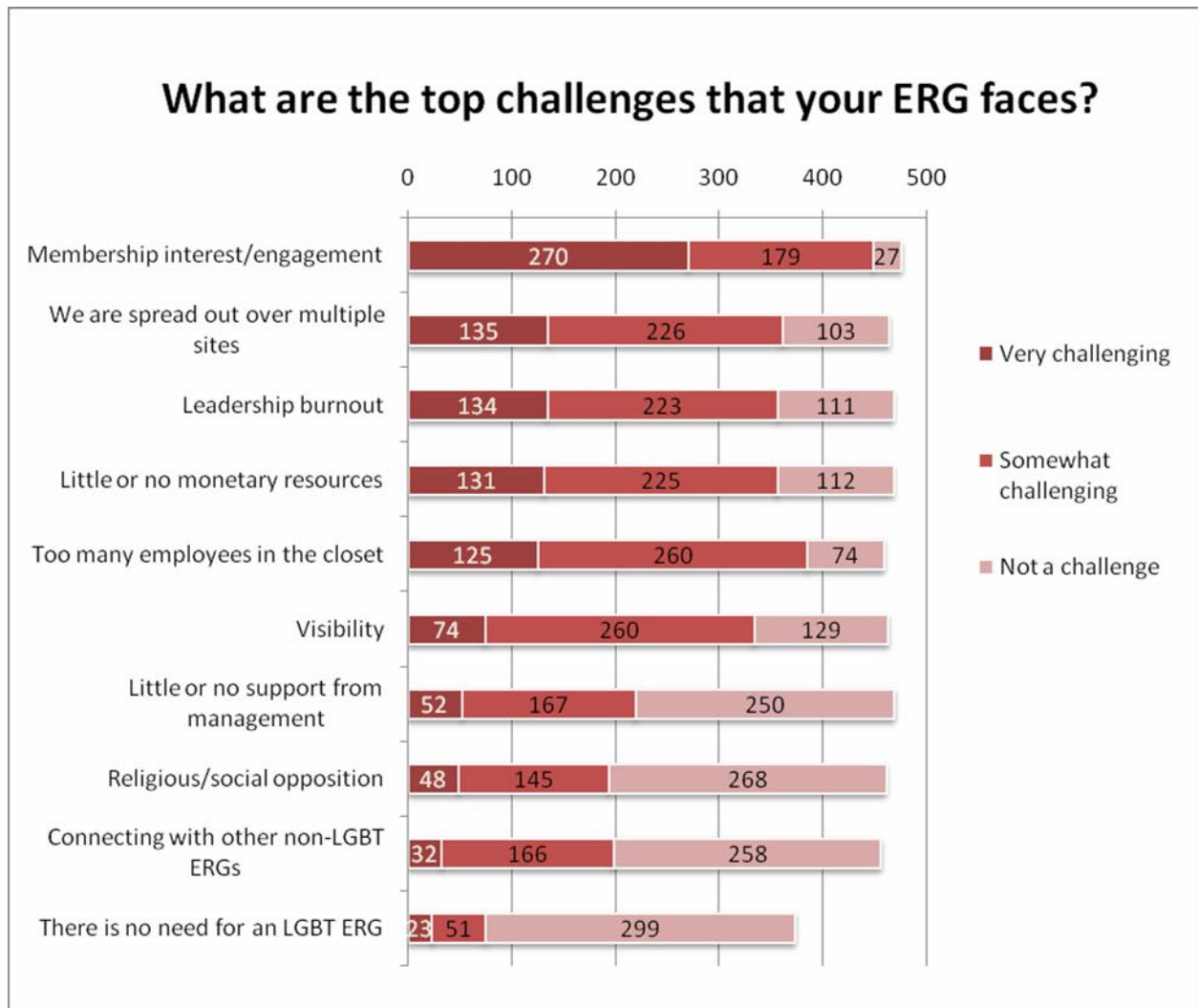


N = 477

Looking at the degrees of these challenges also shows a distinct peak of member interest/engagement as the most common “very challenging” issue – at least twice as much as the next most challenging areas.

Areas such as lack of need, managerial support and religious or social opposition show majorities reporting they are “not a challenge”. Religious/social opposition was deemed “not a challenge” by 58% of respondents (and only 6% rated this “very challenging”) and 53% rated little managerial support “not a challenge” (with 11% rating this “very challenging”). A careful look at

these degrees of challenge suggests variables such as apathy, geographic dispersion, and LGBT people remaining in the closet impede ERG success more than specific opposition.



N=477

In addressing some of these top challenges, ERG leaders surveyed have noted ways in which they have looked within their own organizations to improve how they operate, and what talent they attract. Creativity, resilience and careful planning are noted in how ERGs are addressing these challenges.

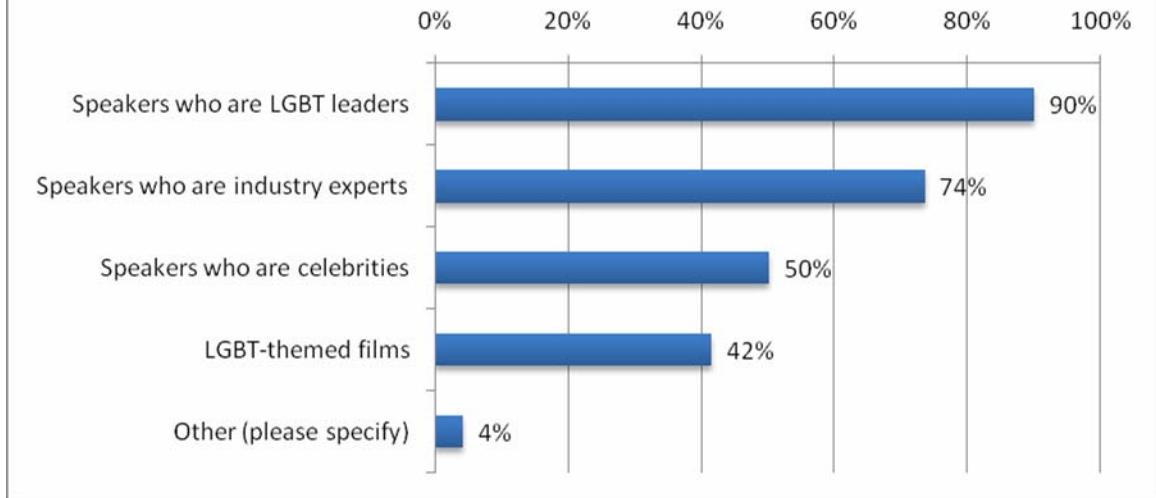
- “We have started more leadership succession planning, more engagement with management at different sites, tried different ways to increase participation.”
- “Recruit an Ally event: bringing a straight friend/colleague to one of our activities. One-on-one conversations with those "closet" members to encourage them to be involved in non-visible ways.

- “...we actively tap budgets that are available but less known. Our exec liaison has been very helpful with identifying those dollars.”
- “Added network leadership to formal performance management process (10% of job is around that position)”
- Launching a Facebook page to connect to blue collar employees who don’t have access to company email communications (this group represents about 90% of our company).”
- “Annual events bringing in Field associates.”
- “Active engagement of other ERG's for cross functional efforts. Aligning with marketing and other areas of company to leverage their resources.”
- “As an ERG - the business planning has tried to mirror the Business Units planning cycle. Consequently, we have kept the ERG calendar aligned with those dates. Consequently, funding request and support are well identified in advance and not surprising to the local [business unit] leadership.
- “Developed an internal website to link and collaborate across multiple geographies, host events aimed at educating the general employee population to dispel many of the stereotypes associated with GLBT persons.”
- “New leadership = high energy and focused strategy.”
- “At a National Level, we're great. The majority of challenges come at the local level with member engagement, leadership burnout, and too many employees in the closet. ... Attending the Out & Equal [Summit] is a big carrot to many of us and helps re-energize for the coming year.”

## ERG Needs and Programming

Acknowledging that member engagement is the top challenge, it is not surprising that programming ideas to attract members rank highest among the needs that ERG leaders identify. While responses to their needs varying across many ideas, the highest majority (56%) report programming ideas as a top resource needed (access to a speaker’s bureau ranked next, with 46% of respondents reporting that as a top-needed resource). With speakers and programming identified as a strong need, leaders were asked what types of speakers would be most desirable. Despite headliner status, celebrities ranked lower (50%) than LGBT leaders (90%) and industry experts (74%) as speakers who would interest ERG members.

## What types of programming would interest your ERG members? (Check all that apply.)



N = 454

Comments suggest a strong alignment with the ERG and the business is desirable.

- “Speakers who can articulate economics/business case/site statistics.”
- “Speakers who are prominent in the business world as well as speakers who are strong community leaders.”
- “Speakers who are straight allies.”

## Section 4: Landscape & Leadership

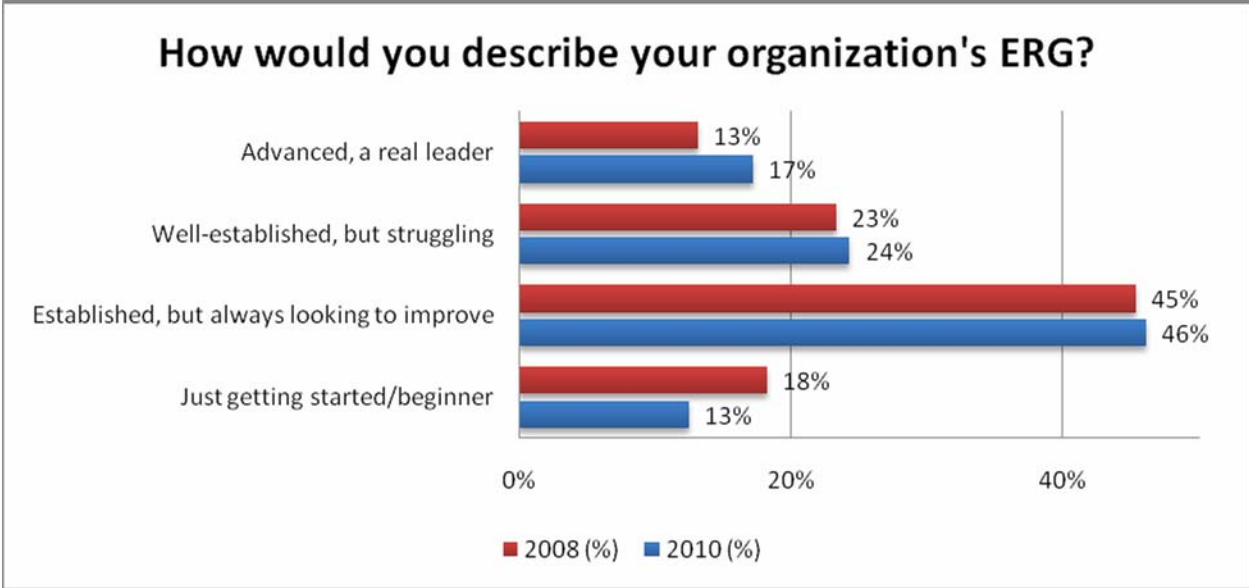
### LGBT ERG History

As resources to employees and employers everywhere, LGBT ERGs continue to be founded in greater numbers since they began in the 1970s. While the number of ERGs doesn't tell the entire story, information about the history, structure and budgets reveal that they are on the rise.



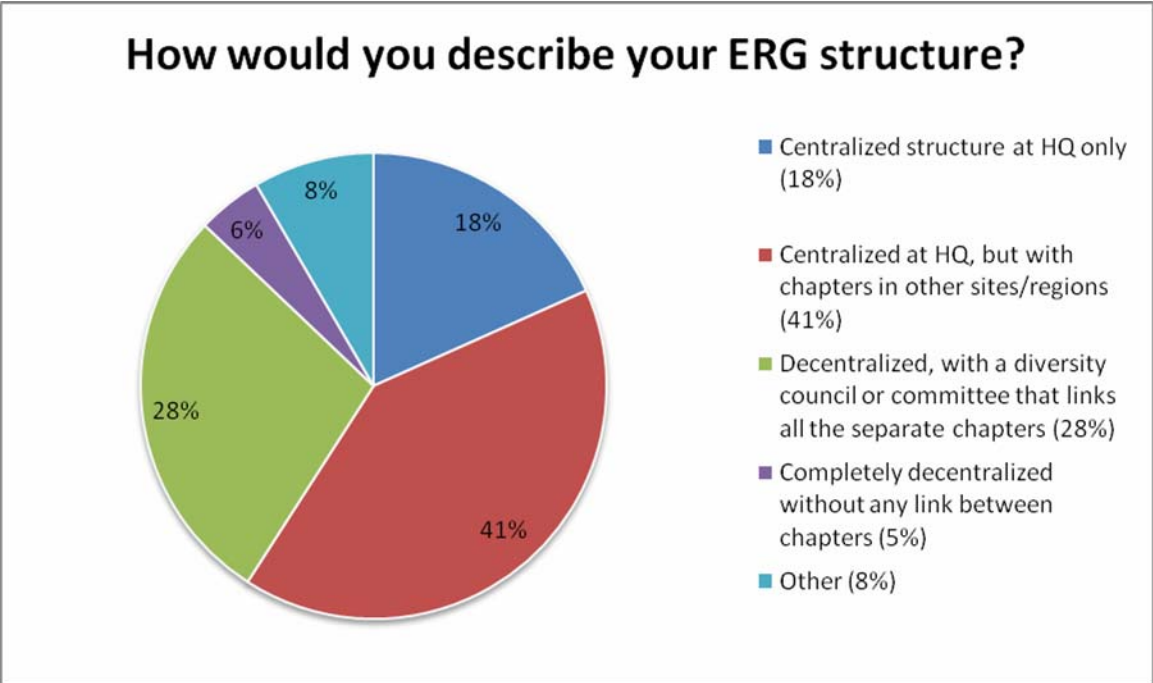
N = 510

LGBT ERGs also have great diversity in their organizational “lifecycles”. Trends from 2008 show few changes in overall assessment of ERG status, however, there is reversal in the number of ERGs assessed as “beginners” and “advanced” – with a 5% increase in ERGs deemed “advanced, a real leader”.



**Structure**

Results from survey respondents link ERG structure with their effectiveness. The data below show that of respondents who answered this question, 59% reported a degree of centralization within their ERG structure. Some commentary suggests that a completely decentralized ERG structure limits effectiveness.



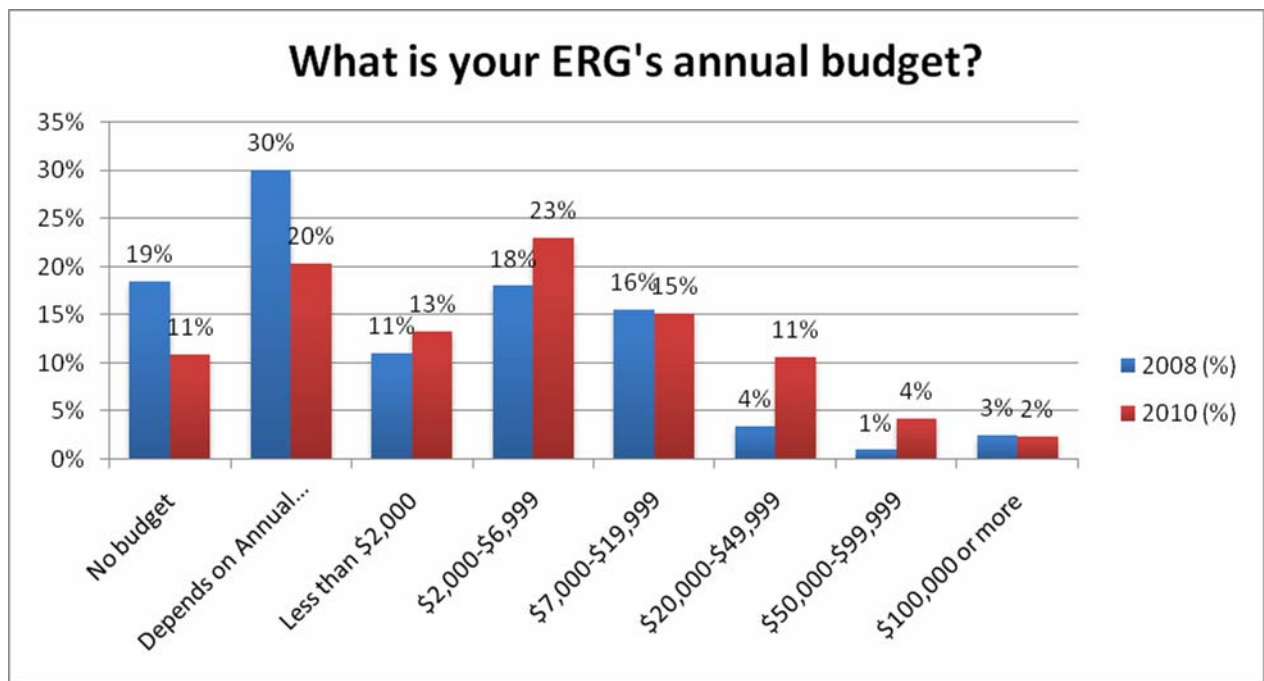
N = 574

Indicative “other” comments:

- “We are decentralized with strong national core, leadership board and executive board.”
- “Centralized but with local diversity council that controls budget.”
- “Virtual structure - 33% of leadership at HQ but no chapters.”
- “Decentralized and struggling to keep organized.”

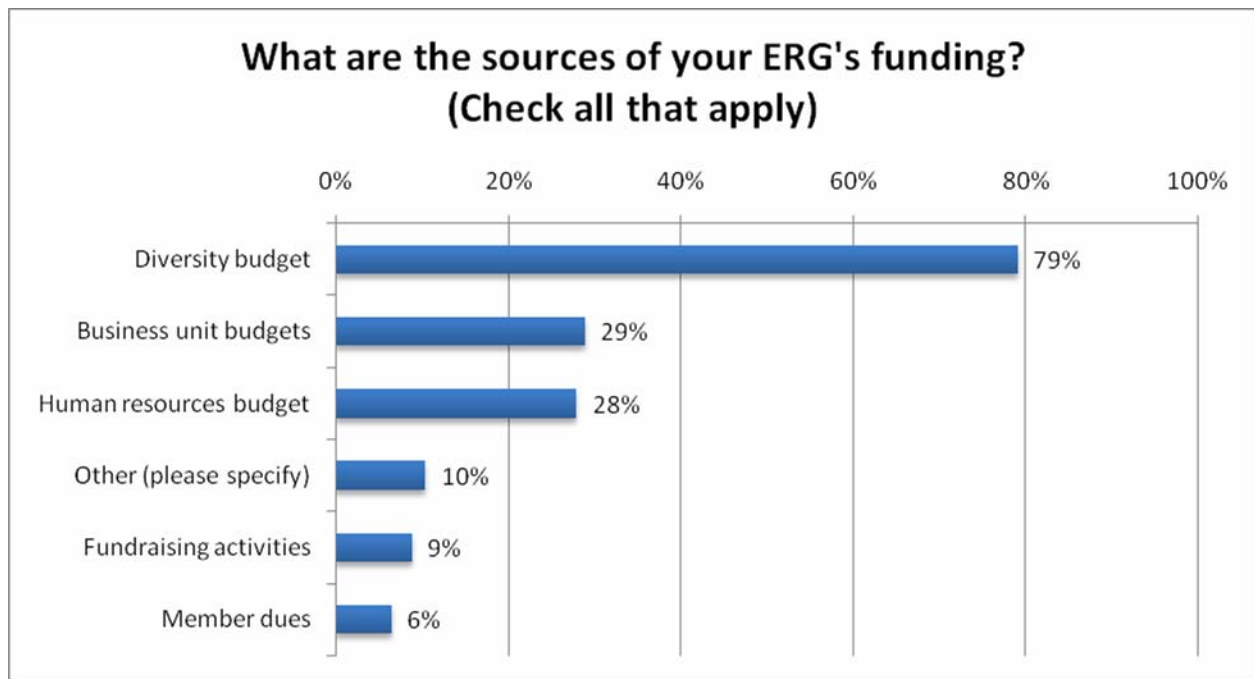
## Budgets

Many LGBT ERGs report reduced or eliminated budgets as a result of the tight economy. However, trends from 2008 show that overall budget categories remain relatively stable, with fewer seeing no budget or budgets dependent on annual programming.



(Budget categories filtered by unique employers/ERG sites)

A clear majority (79%) rely on diversity budgets as a funding source. However, respondents noted creativity and flexibility in funding sources, such as business unit budgets, member dues and fundraising. The significant minority (10%) reporting “other sources” underscore this diversity of budget sourcing ideas.



N = 560

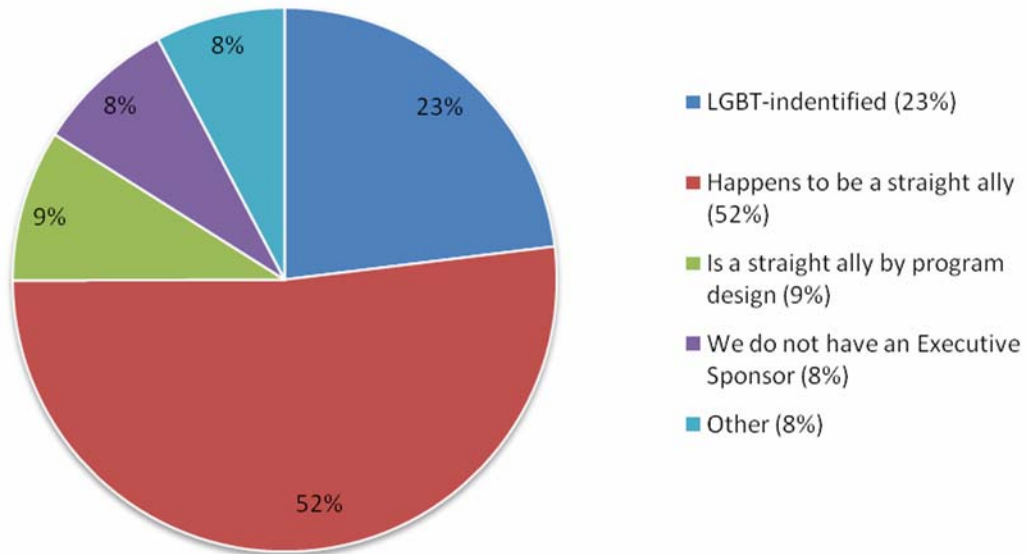
Indicative comments on “Other” sources include:

- “Executive Sponsor and other senior-level benefactors”
- “Community Relations”
- “Corporate citizenship/affairs budget”

### Executive Sponsors

Employee resource groups have long acknowledged the value of an executive sponsor who can bring guidance from – and support at – the top levels of the company. Eighty-eight percent (88%) of respondents report having an executive sponsor. The data show that not only do virtually all ERG leaders surveyed engage an executive sponsor, but that 61% report the executive is a straight ally. The importance of allies has been underscored in various elements throughout the survey comments, as well as specific initiatives.

## How would you describe your ERG's Executive Sponsor?



N = 569

Indicative "Other" comments:

- "We have co sponsors -- LGBT identified and a straight ally!"
- "Don't know for sure Executive Sponsors' "identification"--they are just very supportive."

### Leadership

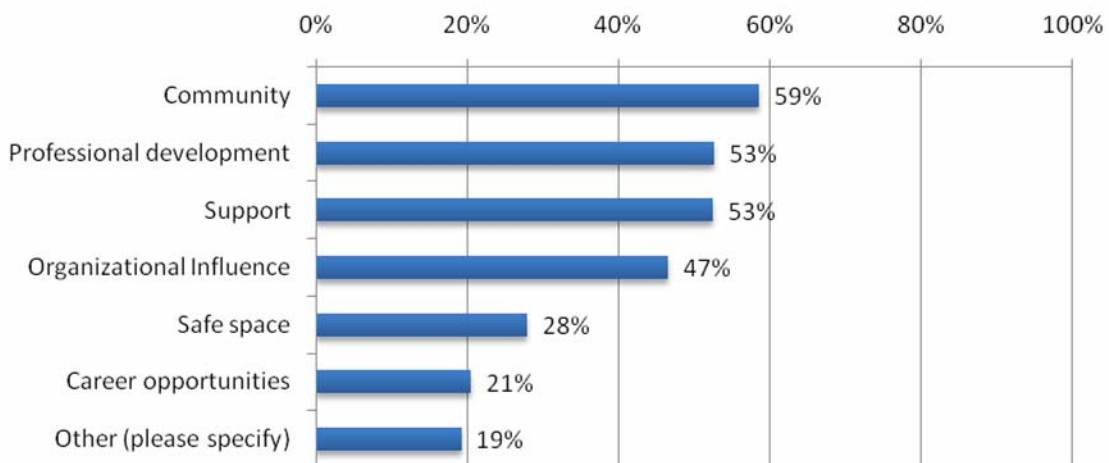
Finally, in looking at ERG leaders who responded to the survey, their answers provide insight into both a snapshot of their roles within their ERGs and the motivation that brings them to the ERG. Of those surveyed, there were a variety of levels of leadership, with national and single-site leaders at 26% and 31% respectively. Majorities of those surveyed reported that community (59%), professional development and support (53% each) were influencers in joining the ERG, with fewer citing career opportunities (21%) or a safe space (28%) as motivators. These data suggest that areas that strengthen and support already secure employees encourage ERG leaders to get involved; building community and gaining experience are more influential to ERG engagement than providing comfort or rising the corporate ladder.

## What is your leadership role for your ERG?



N= 470

## What influenced your decision to join the ERG at your organization? (Check all that apply.)



N = 469

Indicative "Other" comments:

- “Desire to make company more LGBT friendly.”
- “To be seen as a role model for LGBT employees.”

Comments also show that many respondents were involved in the founding of their ERG. One comment indicates a core value of deep commitment and points to a bright future for LGBT ERGs: “I just think it's important to be out and visible at work, so I got involved.”

## Appendix: Additional LGBT ERG Data

How would you describe your organization's ERG?		
Answer Options	Response Percent	Response Count
Just getting started/beginner	12.5%	72
Established, but always looking to improve	46.1%	266
Well-established, but struggling	24.3%	140
Advanced, a real leader	17.2%	99
<i>answered question</i>		<b>577</b>
<i>skipped question</i>		<b>5</b>

Which member demographics does your ERG track? (Check all that apply)		
Answer Options	Response Percent	Response Count
Sexual orientation	40.4%	225
Gender identity	31.1%	173
Ethnicity	13.5%	75
Age	9.0%	50
None	53.9%	300
Other (please specify)	9.0%	50
<i>answered question</i>		<b>557</b>
<i>skipped question</i>		<b>25</b>

What is the scope of your ERG?		
Answer Options	Response Percent	Response Count
Global network	30.6%	175
National network	37.8%	216
Regional network	16.5%	94
Single-site (including company headquarters solely)	15.1%	86
<i>answered question</i>		<b>571</b>
<i>skipped question</i>		<b>11</b>

How many contacts are in your ERG mailing list (including BCCs)?		
Answer Options	Response Percent	Response Count
Less than 50	21.2%	117
50-100	21.4%	118

101-200	18.1%	100
201-500	24.0%	132
501-1000	9.1%	50
1001-5000	5.1%	28
Over 5000	1.1%	6
<i>answered question</i>		<b>551</b>
<i>skipped question</i>		<b>31</b>

<b>How many active members are in your ERG?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Less than 10	21.4%	119
10-50	40.5%	225
51-100	15.1%	84
101-200	10.3%	57
201-500	9.4%	52
More than 500	3.4%	19
<i>answered question</i>		<b>556</b>
<i>skipped question</i>		<b>26</b>

<b>What is your ERG's annual budget?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
No budget	10.1%	55
Depends on Annual Programming	21.8%	118
Less than \$2,000	12.9%	70
\$2,000-\$6,999	22.3%	121
\$7,000-\$19,999	17.0%	92
\$20,000-\$49,999	9.4%	51
\$50,000-\$99,999	3.5%	19
\$100,000 or more	3.0%	16
<i>answered question</i>		<b>542</b>
<i>skipped question</i>		<b>40</b>

<b>What are the sources of your ERG's funding? (Check all that apply)</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Member dues	6.4%	36
Fundraising activities	8.8%	49
Diversity budget	79.1%	443
Human resources budget	27.9%	156
Business unit budgets	28.9%	162
Other (please specify)	10.4%	58

<i>answered question</i>	560
<i>skipped question</i>	22

<b>How often does your ERG leadership have meetings?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Weekly	2.3%	13
Bi-weekly	7.8%	44
Monthly	64.7%	367
Bi-monthly	8.3%	47
Quarterly	12.3%	70
Annually	0.7%	4
We do not meet	3.9%	22
<i>answered question</i>		567
<i>skipped question</i>		15

<b>Which online network(s) does your ERG utilize to communicate to and/or connect members? (Check all that apply)</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Email list	93.3%	470
Private Facebook page/group	11.9%	60
Public Facebook page/group	9.1%	46
LinkedIn group	3.4%	17
An internal company-maintained site	71.0%	358
Other (please specify)	8.1%	41
<i>answered question</i>		504
<i>skipped question</i>		78

## Appendix B - ERG Leadership Demographics

Based on survey respondent demographics

<b>How would you describe your gender identity?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Male	63.5%	297
Female	33.1%	155
Intersex	0.0%	0
Transgender (MTF)	2.6%	12
Transgender (FTM)	0.2%	1
Prefer not to say	0.4%	2
Other (please specify)	0.2%	1

<i>answered question</i>	<b>468</b>
<i>skipped question</i>	<b>114</b>

<b>How would you describe your ethnicity?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
South Asian	0.8%	4
Jewish	3.4%	16
Caucasian/White/European descent	82.2%	387
Middle Eastern	1.1%	5
American Indian/Alaskan Native/First Nation	1.1%	5
Asian/Pacific Islander	3.8%	18
Latina/Latino	5.7%	27
African American	4.9%	23
Prefer Not to Say	0.8%	4
Other (please specify)	2.8%	13
<i>answered question</i>		<b>471</b>
<i>skipped question</i>		<b>111</b>

<b>How would you describe your sexual orientation?</b>		
<b>Answer Options</b>	<b>Response Percent</b>	<b>Response Count</b>
Lesbian	22.6%	106
Gay	59.4%	278
Bisexual	4.7%	22
Asexual	0.6%	3
Queer	1.5%	7
Straight/Heterosexual	10.5%	49
Prefer not to say	0.6%	3
Other (please specify)		0
<i>answered question</i>		<b>468</b>
<i>skipped question</i>		<b>114</b>

## **Methodology**

This survey was offered for self-selected ERG leaders among Out & Equal’s constituency. These leaders may be at any level or location of the ERG, from single-site to global lead, and therefore represent duplicative companies. This is by design to reflect actual programming, accomplishments and needs of individual ERG chapters as well as companywide perspectives.

Of 582 respondents, 472 completed the entire survey; 231 unique companies were identified among respondents.

Individual questions in the report above include the number of respondents to each question, so that the merits of that question can be evaluated; if respondents did not know the answer or did not want to answer a question, they were allowed to skip that question. Responses reflect individual assessment and opinions regarding the questions asked.