

News Release

For Immediate Release

Survey Conducted by The Rise Journey Finds a Dramatic Upward Trend in ERG Lead Compensation

The Rise Journey's 2021 State of the Employee Resource Group (ERG) Report features key survey findings, best practices, and more.

New York, December 2, 2021 – The Rise Journey has released its second annual State of the Employee Resource Group (ERG) Report which features key findings from the company's 2021 ERG Lead Compensation Survey. While survey data indicates that organizations of all sizes who are either currently compensating or are considering compensation for their ERG leads are on the rise, the majority of companies are still not compensating leads. The report provides transparency when navigating ERG structure and preparing the business case for lead compensation.

"What it comes down to is that being an ERG lead is extra work. This is work that is done in addition to one's job responsibilities, and all work should be compensated," said The Rise Journey Co-Founder and COO, Jes Osrow. "We hope that this report will serve as a resource for organizations as they continue to develop their ERG processes and work toward an equitable future."

The 2021 ERG Lead Compensation Survey was administered by The Rise Journey, a human resources strategy and organizational culture consultancy, to understand the current landscape of ERG compensation and give a voice to human resources (HR) and diversity, equity, and inclusion (DEI) professionals. Historically, large corporations have set the standard for ERG lead compensation, but there is work to be done to keep the momentum for companies across all industries and sizes.

Compensating ERG Leads

With a 22 percent increase from 2020, the 2021 survey revealed that 28 percent of respondents compensate for their ERG leads. While the majority are still not compensating their ERG leads, 48 percent of respondents indicated that their organization is currently discussing ways to compensate their leads, which is a 24 percent increase from 2020.

Forms of Compensation

This year, the question has shifted from if organizations compensate, to how they compensate their ERG leads. Of the 48 percent discussing compensation, 16 percent of respondents are considering annual stipends with another 16 percent considering professional development opportunities. Additionally, alternative methods of compensation were indicated this year, which

differentiates from 2020 where only monetary forms of compensation were recorded. The majority of employees taking on ERG work are underrepresented in the workplace, and therefore are historically underpaid for their 9-to-5 role. By compensating ERG leads monetarily, the organization not only is showing commitment to the work, but commitment to breaking the cycles of pay inequity.

Budget

Since paying ERG leads is still an uncommon practice, paying any amount makes an organization a leader in the space. Every organization requires an individualized approach when structuring its ERGs and making the compensation business case. Of the organizations compensating ERG leaders, 15 percent of leads were compensated \$1,500 or less, 8 percent said leaders were compensated between \$1,500 to \$5,000, and 3 percent said leaders were compensated more than \$5,000. Of the organizations that do not currently compensate ERG leads in any form, 63 percent still give their ERGs a budget to use during the year.

Emerging ERG Types

In 2021, seven new categories of ERGs were documented. Of the organizations surveyed, 25 percent had 1 to 2, over 50 percent had 3 to 6, and over 20 percent had 7 to 15 separate ERGs. The three types most reported were LGBTQIA, Women and Black/African American. Whether this is attributed to societal events such as the Covid 19 pandemic and recent social reckonings, it reflects a growing need for community within the workplace for marginalized groups of society.

ERG's Contribution to Organizational Culture

ERGs provide resources and serve as a connector between underrepresented employees and the organization at large. They create a sense of belonging for employees who may have been marginalized in the past and provide a safe space for employees to acclimate to corporate culture and find community. In doing this, productivity, retention and overall organizational culture benefit.

"Compensating ERG leads is a way to plan for long term success and to further develop your organization's culture. The business case is not about what happens today but its impact on tomorrow," said Osrow.

The report includes a mix of qualitative and quantitative data on ERG lead compensation practices, resources for implementing effective ERG leadership structures and budgets, testimonials from industry professionals, and more. Click here to download the 2021 State of the ERG Report.

Survey Methodology

To understand the current landscape of ERGs and whether or not companies compensate ERG leads, 166 HR and DEI professionals, ERG leads, and ERG participants were surveyed

between July and August of 2021. Participants represented nonprofit and for-profit organizations, start-ups, and multinational companies of various sizes and industries.

About The Rise Journey

The Rise Journey partners with organizations to create a positive impact for employees, leaders, constituents, and their communities through the creation and implementation of sustainable and impact-driven solutions. Its work is built on a foundation of diversity, equity, inclusion, belonging, and accessibility (DEIBA). Founded in 2017, the company's mission is to provide high-value, metrics-driven support to facilitate organizational change based on inclusion and social impact. The Rise Journey is woman-owned business and its team and advisors span regions, nationalities, race, ethnicity, disability, socioeconomic status, immigrant background, and other areas of diversity.

Visit The Rise Journey <u>website</u> for more information and follow along on <u>LinkedIn</u> and <u>Twitter</u> to stay updated.

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