

How Can Employee-Resource Groups Pay Off?



Exposure to and interaction with different people fuels creativity and shatters stereotypes—a boon for corporate productivity. In a Q&A with *DiversityInc*, renowned discrimination-law attorney Weldon Latham tells you what you need to know about employee-resource groups to maximize their impact on your bottom line.

DIVERSITYINC: WHAT'S THE DIFFERENCE BETWEEN AFFINITY AND EMPLOYEE-RESOURCE GROUPS?

WELDON LATHAM: We often are asked by clients at some stage of their diversity development whether they should have affinity groups or not. Our typical answer is no. We would first start by changing their outlook to these groups, and we call them, as many companies do, employee-resource groups. The difference is more than just a name.

It's an older sort of thinking where the groups come together as support groups in companies where there are not enough women or minorities or whatever the group represents. When the company is going to take it on as a diversity initiative, they should call them employee-resource groups and think of them as such—a resource to the company that has the dual benefit of being a resource to the employee groups that participate in it.

DIVERSITYINC: WHAT SHOULD A COMPANY KNOW BEFORE IMPLEMENTING EMPLOYEE-RESOURCE GROUPS?

LATHAM: The first thing we always tell people when they say "Should we have these groups?" is "What purpose do you have in mind for them?" If a company is not advanced enough on its diversity journey, then it should address the more basic issues such as how they handle complaints and whether they have internal processes to address diversity concerns. Employee-resource groups can help in networking, leadership training and mentoring on the employee side, and on the business side, they can help with identification of strong candidates for future positions, marketing initiatives. They can help the company outreach to the group that is being represented.

Some of the worst ones we've seen have been sort of ad hoc, as one person described it, "grassroots" organizations that the company has no control of and don't follow a business model. It doesn't have specific goals and objectives and timetables and deliverables. For resource groups to be most efficient and effective and helpful to all concerned, they should be an integral part of the company's business strategy.

Let's say you have a women's group. The purpose of the group is to have women within the company perform well and have the company benefit from advice and counsel of issues of importance to women. If you say only women can participate, you're looking for

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a lawsuit, but if you say anybody who wants to participate can participate, you're way ahead of the game. The group ought to have an intended purpose of types of players and intended benefits that are outlined in its charter so there's no question about it.

—Compiled by Jennifer Millman

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