

Inclusion and Diversity Webinar Series (Part 3) Employer Resource Groups

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Seyfarth Shaw LLP

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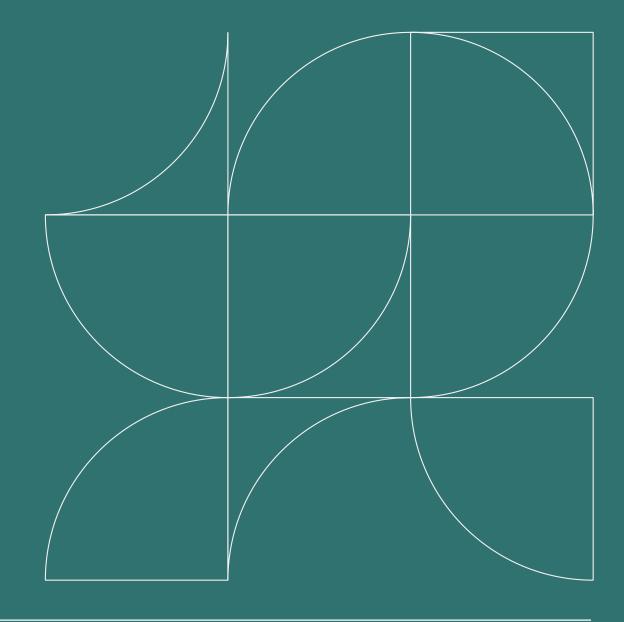
Agenda

- What is an Employee Resource Group (ERG)?
- **02** The Overarching Legal Framework

03 Legal Implications Related to ERGs

04 Takeaways on ERGs

What Is An Employee Resource Group (ERG)?

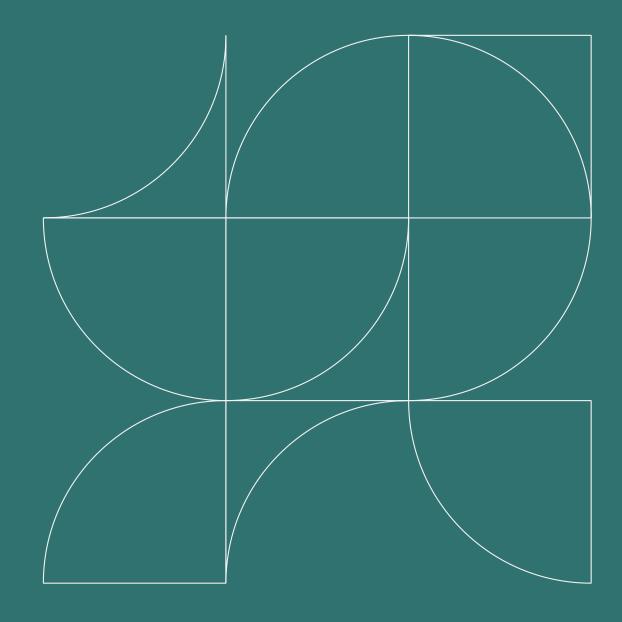




Background on Employee Resource Groups (ERGs)

- Employee Resource Groups or Affinity Groups are:
 - voluntary
 - employee-led groups
 - promote a diverse, inclusive workplace
- Typically created around and focused on common identity
 - race,
 - gender,
 - sexual orientation,
 - etc
- Not designed to provide a forum for employees to
 - address terms and conditions of employment
 - make proposals to the Company
 - represent other employees

The Overarching Legal Framework

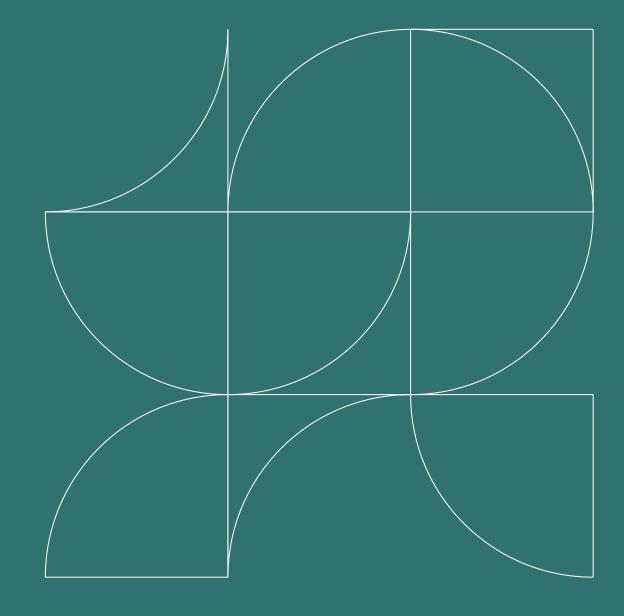




U.S. Law Requires Consistent Treatment

- Title VII of the Civil Rights Act of 1964 prohibits discrimination based upon:
 - Race
 - Color
 - Religion
 - Sex
 - National Origin
- Employers can have policies which touch these categories
- Employers cannot apply policies inconsistently for these categories
- For example:
 - A company can have a policy of refusing to recognize affinity groups that seek to promote a religious position
 - A company cannot have a policy of refusing to recognize affinity groups that seek to promote Christianity

Legal Implications Related to ERGs





All ERGs and Employees Should Be Treated Consistently

Be careful to treat members of all ERGs the same

 Ensure that members of ERGs are treated the same as employees who are not members of an ERG

 Compensate employees for time spent at ERG and non-ERG meetings during work hours the same

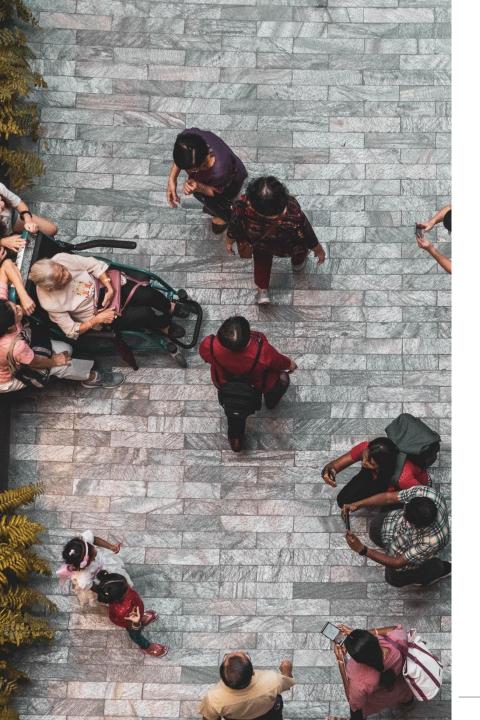


Employers Should Be Mindful of Discrimination Complaints Related to ERGs

 Have a clear process in place for dealing with complaints of discrimination or harassment made during meetings

 Be mindful of legal obligations created by complaints raised during meetings through appropriate channels

 Consider the NLRA implications of confidentiality or content based "gag rules" for meetings



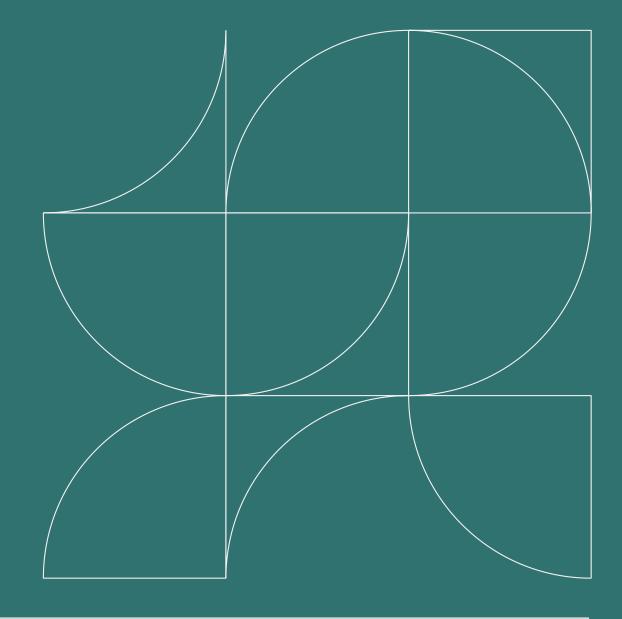
Is It an ERG or a Labor Union?

 When is a group an ERG and when is it a labor union?

 How does this difficulty impact institutional recognition and funding of the ERG?

 Can management still interact with the ERG on topics like diversity and inclusion or employee engagement?

Important Takeaways on ERGs





Have a Clear Set of Policies and Practices for How ERGs are Established and Maintained

- These policies should include:
 - policy statement
 - exclusions
 - process for recognition
 - process for renewal
 - support and funding
 - employee complaints raised during meetings
 - criteria and responsibilities for ERGs



Set Clear Expectations for How the Company Requires ERGs to Conduct Themselves

 Ensure that approved ERGs align with its values as an organization

 Require that ERGs be open to all employees who share the group's objectives regardless of protected status

 Avoid "dealing with" ERGs on issues relating to the terms and conditions of employment



Avoid NLRA Implications

- Clearly outline expectations and purposes of ERG in policies and procedures
- The company can still solicit feedback from ERGs through mechanisms such as:
 - Suggestion boxes
 - Employee engagement surveys
 - Brainstorming groups
- Interactions between the ERG and management should by unilateral rather than bilateral
 - Making suggestions to management is okay
 - Requesting a meeting to discuss concerns is not okay

Questions?

