reboot.

ENABLING EFFECTIVE ERGS: THE 2026 GUIDE TO IMPACT AND RECOGNITION

ERG LEADER SUMMIT

"The arc of the moral universe is long, but it bends towards justice."

Martin Luther King Jr.

SHERYL'S REFLECTIONS

Employee Resource Groups find themselves in the crosshairs of a unique moment in time.

It would be very easy to write a report focusing on the impact of the DEI backlash that has enveloped much of the corporate world, followed by the strategic rollbacks and 'FAIRness' rebranding.

It would also be easy to ignore the external environment and tell ERGs there is 'nothing to see here' - that it's all just a political storm in a teacup, and to 'keep calm and carry on'.

In choosing either of those extremes, we miss an opportunity for introspection, progress, and ultimately, growth.

Here's what I know to be true about the current moment - and it is just a moment.

Long before this backlash, I had ERG leaders telling me they were struggling to get line manager support. One ERG leader even told me their manager had said, 'No one will remember you for your ERG work.'

Ouch. Where do you go from there?

In a post-2020 world that became aware to the point of hyper-sensitivity, there were increasing calls for ERG leaders to be paid extra for their ERG work, for their emotional labour, and for the trauma of trying to fix a system by which they were oppressed.
So I knew there was an issue.

And in 2025, I thought that the muddy confusion over impact and recognition, combined with the anti-DEI rhetoric, might be the straw that breaks the back of many ERG leaders.
Progress is rarely linear; it often feels like two steps forward and one step back.
As Martin Luther King Jr. said, “The arc of the moral universe is long, but it bends towards justice.”

However, he didn’t stop there. In this famous 1965 Selma speech, he also said, “Social progress never rolls in on wheels of inevitability; it comes through the tireless efforts of people.”

I’d like to think that some ERG members and allies took inspiration from that speech - the first ERG having started a year earlier at Xerox, born out of the upstate New York riots that were part of the Civil Rights movement.

Thank you to all of the People and Culture (formerly HR), Inclusion and Fairness (formerly DEI) teams, ERG leaders, and Executive Sponsors who completed the survey that underpins this guide.

I’d like to reserve the biggest thanks for all of the amazing ERG leaders who keep on keeping on in spite of the backlash, often without line manager backing, and without recognition.

This guide isn’t just about survey results. It is a playbook of practical strategies for you to share and discuss in your ERG committee meetings, your Inclusion Forums, and your DEI Councils.
I’d love to hear from you if this has helped or if you have any questions.

You can find me on LinkedIn.

Sheryl
Founder, ERG Leader Summit

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TL;DR SUMMARY (TOO LONG; DIDN'T READ)

What This Report Reveals

ERG leaders are facing a new level of internal and external pressure: driven by passion but struggling for recognition, often facing line manager resistance, and operating under increased scrutiny with limited resources.

The passion-to-recognition disconnect is real.

ERG leaders are motivated by the passion to create belonging, yet only 24% say their organisation's business case for ERGs is widely understood. All ERGs (100%) run awareness day events, but far fewer drive policy change (61%) or deliver training (52%). A jam-packed events calendar is not the answer.

Line managers need to be equipped to enable

Line managers rank lowest in understanding ERG business value, and only 17% of organisations consistently give credit for ERG work in performance reviews; yet 82% of respondents want this to change. HR, DEI leads, and sponsors hold the key to unlocking line manager support through clear frameworks, training, and top-down advocacy.

Impact is unclear at the worst possible time

As DEI faces political backlash, 69% say their ERGs struggle to quantify outcomes and 53% lack clear metrics. Meanwhile, 66% identified clearer business alignment as their top priority for improvement. Sponsors are the bridge between ERG passion and business strategy.

Money is not the answer; access is

Only 11% receive financial recognition, and 71% rate executive exposure as the most effective form of recognition. Money may be off the table, however ERG leaders can benefit from influence, visibility, and career opportunities rather than short-term financial uplifts.

The path forward

ERGs must shift from event-focused to evidence-based, impact-driven work, supported by HR and DEI professionals who provide frameworks and metrics, and sponsors who create strategic alignment, visibility, and advocate at senior levels. Success requires bringing line managers on board as active enablers, not barriers.

ABOUT THE 2026 ERG LEADER SURVEY

The findings in this guide are drawn from the ERG Leader Recognition Survey 2025, conducted between July and September 2025. The survey was shared widely through the ERG Leader community, professional networks, DEI and HR professionals, and executive sponsors.

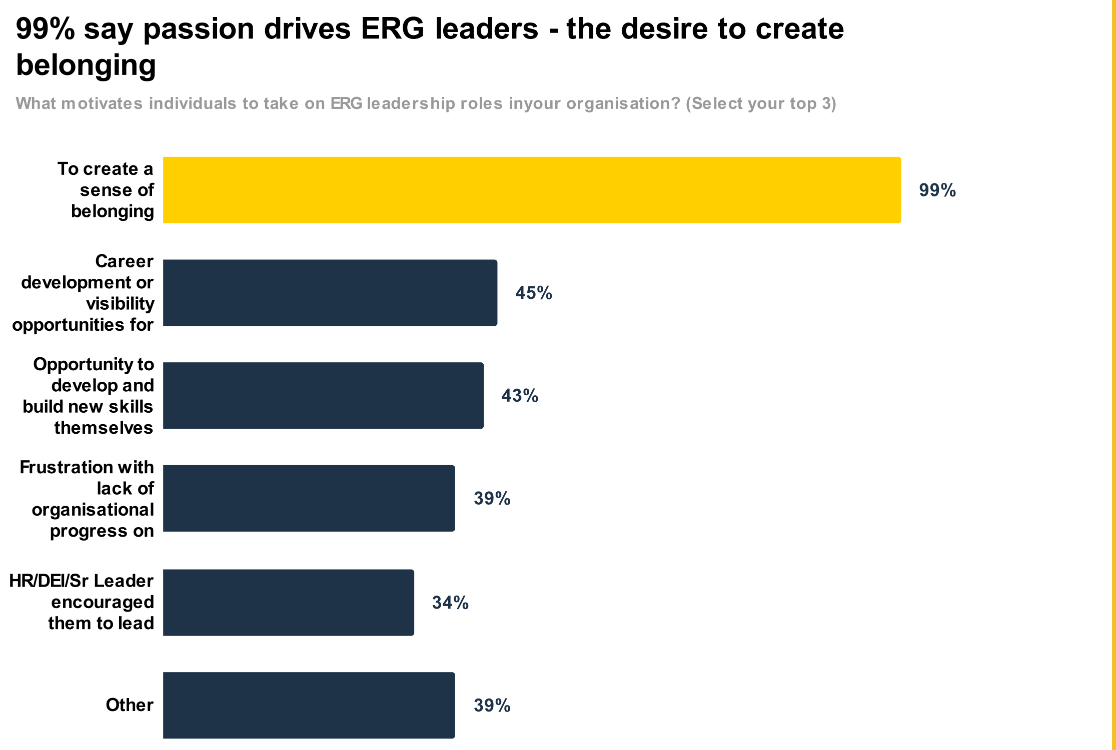
A total of 65 respondents completed the survey, representing organisations of all sizes and sectors, including financial services, housing, healthcare, education, and professional services.

Four key themes have emerged:

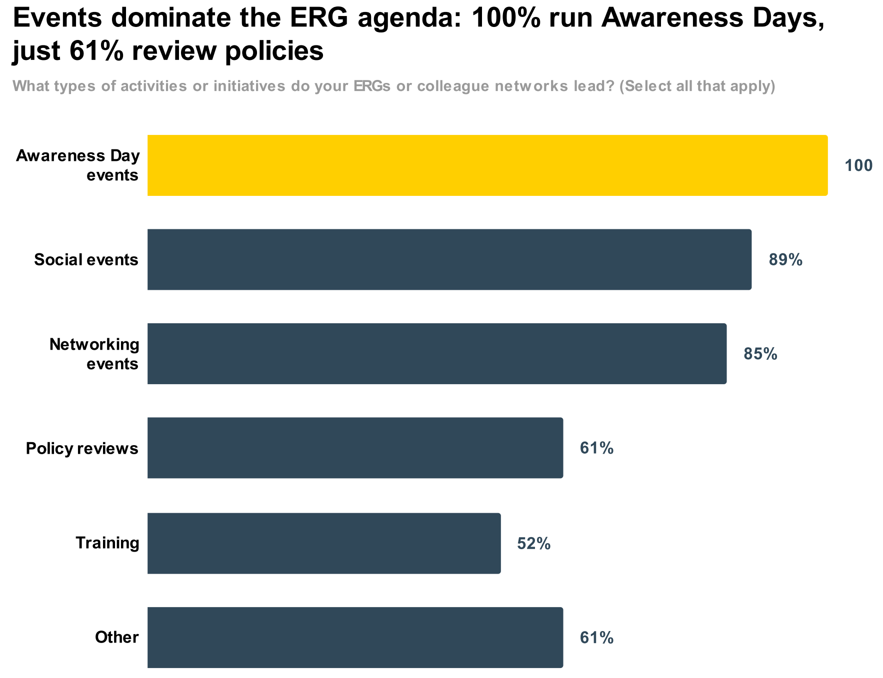
CLOSING THE PASSION→IMPACT→RECOGNITION GAP

99% of respondents agree on what drives ERG leadership: passion to create belonging for their community. This motivation is strategically sound, as research shows that belonging drives performance increases and reduces staff turnover.

A ‘sense of belonging’ is a phrase that is often used but rarely examined and difficult to measure. This can lead to investing time, effort and resources in activities that may or may not increase belonging.



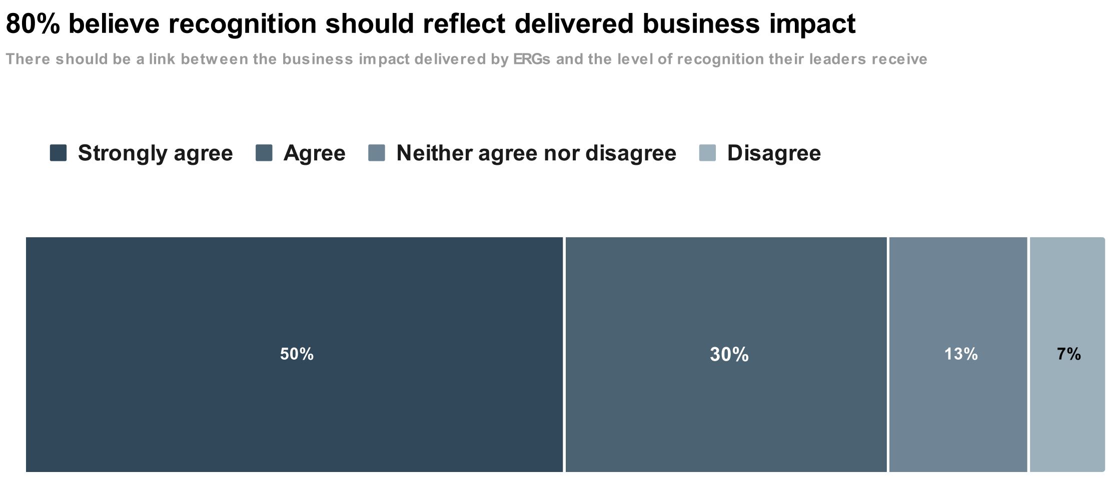
KEY FINDINGS



100% of ERGs run awareness day events, while only 61% review policies and 52% develop training initiatives. The focus of ERGs is largely on social connection within ERG members and with other colleagues. These events can be energising and produce a wow factor where there are big budgets for celebrity speakers, but they rarely sustain member engagement and typically do not fuel ERG growth.

Social connection does create belonging. However, it is not the only factor, and for some individuals, it may not be the most powerful mechanism. Research from Deloitte's study of thousands of organisations reveals that 44% of employees, more than for any other single factor, identify values alignment and meaningful contribution to the organisation as the biggest driver of belonging (Deloitte Insights, 2020).

Within this survey, 80% agree that recognition should link to business impact. Our experience is that when we talk about the importance of business impact in the context of ERG or the broader work of inclusion, this can cause discomfort, dissonance, or a feeling of conflict. Many feel that this work is rooted in the moral issue of equity, that it is 'the right thing to do', and do not like the association with business outcomes.



The reality is there is no conflict.

The way to close the gap is not for ERG leaders to abandon passion in favour of business impact. The bridge to close the gap is for ERGs to provide a way for members to contribute to organisational mission, values and objectives.

RECOMMENDATIONS

For ERG Leaders:

- Scale back the events schedule; use member surveys and organisational priorities to identify where ERG perspectives can inform policy or process
- Test every initiative by asking: "How does this help our members contribute meaningfully to what this organisation values?"
- Involve Executive Sponsors in annual planning to ensure organisational alignment

For HR & DEI Leads:

- Help ERG leaders understand that creating belonging and delivering business impact are not competing priorities; contribution creates belonging
- Set out frameworks like RACI (Responsible, Accountable, Consulted, Informed) to clearly define how ERGs can engage with policy and process without taking on too much, or treading on toes
- Reward and spotlight ERGs that effectively align with business objectives

For Sponsors:

- Encourage ERGs to pursue initiatives beyond events
- Help senior leaders see how ERG member perspectives can inform decisions and challenges the organisation is facing
- Make the connection between ERG insights and business values, objectives and goals explicit and visible

For ERGs to shift focus from events to contribution, they need support from a critical but often overlooked group - line managers.

LINE MANAGERS ARE THE CRITICAL LINK

“Line Managers are our biggest challenge, especially middle managers who do not always understand the benefits of having networks, or support network involvement.”

"Some line managers are concerned about the amount of time spent on ERG activity that might interfere with the employee's current role.“

The survey echoes a worrying truth that we have heard for several years - many line managers are not on board with ERG work.

Line managers rank 5th out of 5 organisational levels in understanding the business value of the work that ERGs do. Combine this with the findings from our previous survey, that ERG leaders typically spend 2–5 hours per week on ERG activities, and this helps to explain what we observe anecdotally:

- Support or recognition for ERG activity is often lacking from line managers
- Some line managers penalise ERG leaders for being involved in ERG work or actively dissuade them from getting involved in the first place.

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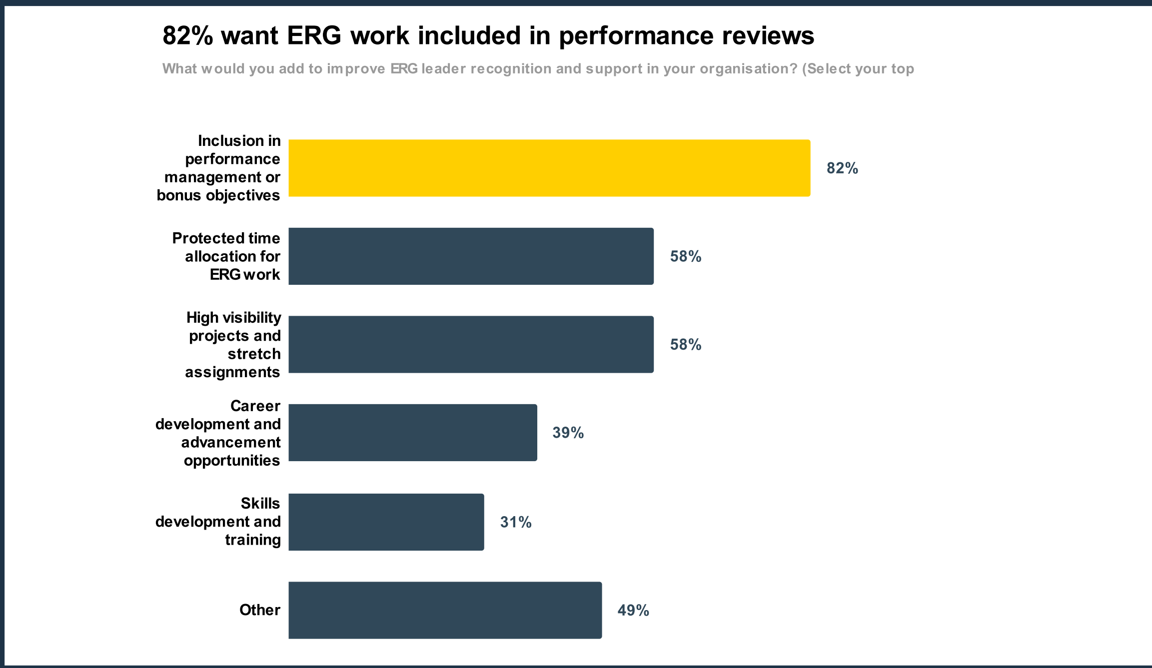
Multiple studies reveal middle managers as a critical barrier to DEI implementation due to lack of understanding and competition with other business priorities:

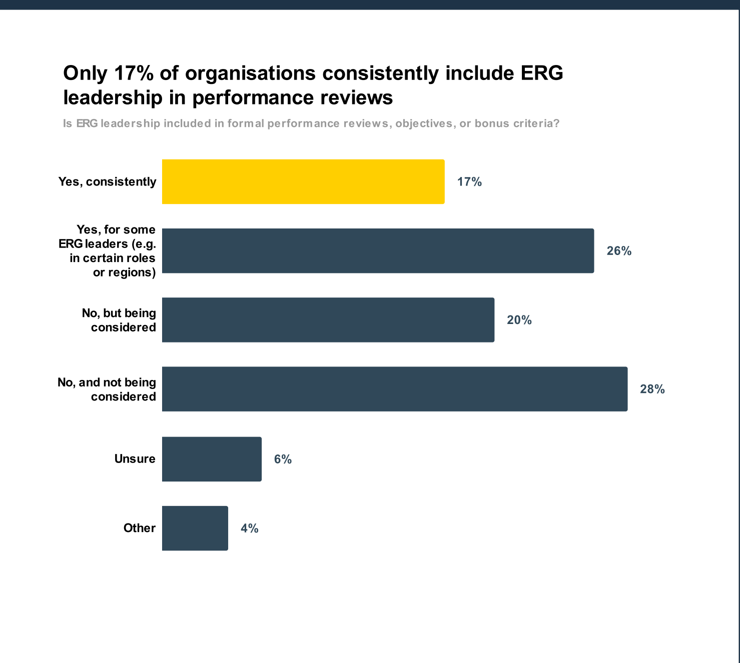
- BCG found that over 25% of employees do not feel their direct manager is committed to diversity and inclusion (Boston Consulting Group, 2020).
- Seramount's research showed 70% of middle managers were unclear on DEI purpose (Seramount, 2020).
- Wharton School research confirmed that middle managers remain "uncertain about their role" in DEI work (Creary, Rothbard & Scruggs, 2021).
- The CIPD described this as the 'permafrost' phenomenon, characterising middle managers as an entrenched layer resistant to change (CIPD, 2019).



Yet line managers are critical to enabling ERG leadership and recognition, through permission to spend time on ERG work, being on board with reprioritisation of tasks, and ultimately the formal evaluation of those individuals.

Currently, only 17% of organisations consistently include ERG work in performance reviews and 82% of respondents cited this as the element they would most like to add to improve the situation.

Without this formal recognition, and with some facing passive or active resistance, many ERG leaders are being put in a precarious position.



The solution is not complex: organisations need to mandate that ERG leadership should be included in formal performance reviews. In tandem, line managers need to be brought into the loop on the business case for ERGs and given the tools to support their team members who balance primary role responsibilities with value-adding ERG work.

RECOMMENDATIONS

For ERG Leaders:

- Proactively engage your line manager; share what you are doing, why it matters, time commitment, and business impact
- Use your line manager as a supportive sounding board; they should be able to offer valuable perspectives on balancing responsibilities
- If you encounter resistance or lack of support, escalate to DEI/HR and your Executive Sponsor

For HR & DEI Leads:

- Implement clear frameworks, policies and processes for incorporating ERG leadership into performance reviews and relevant KPIs, e.g. time utilisation
- Formalise line manager expectations for supporting ERG leaders, just as you have defined the Executive Sponsor role
- Provide training sessions for line managers or integrate them into existing sponsor training

For Sponsors:

- Advocate across the C-suite for consistent, top-down support for ERGs
- Champion ERG work throughout the organisation, beyond showing up at awareness day events
- Make the business case visible at all levels and ensure line managers understand their critical enabling role
- Address cases of unreasonable resistance from line managers through direct engagement and education

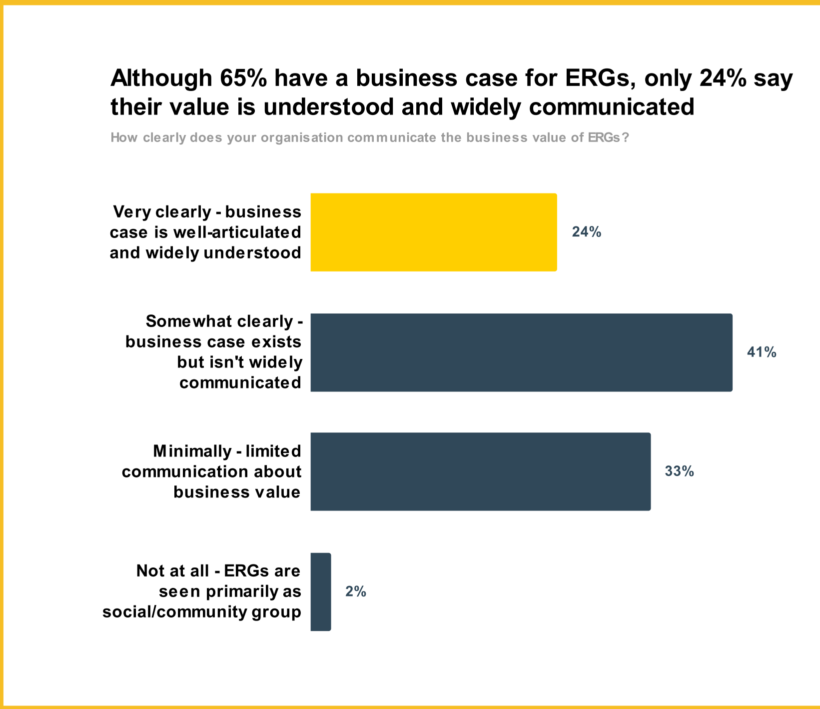
Line manager resistance is compounded by a broader challenge: ERGs struggle to demonstrate clear business impact in an increasingly sceptical climate.

IMPACT IS UNCLEAR, AND ERGS ARE UNDER SCRUTINY

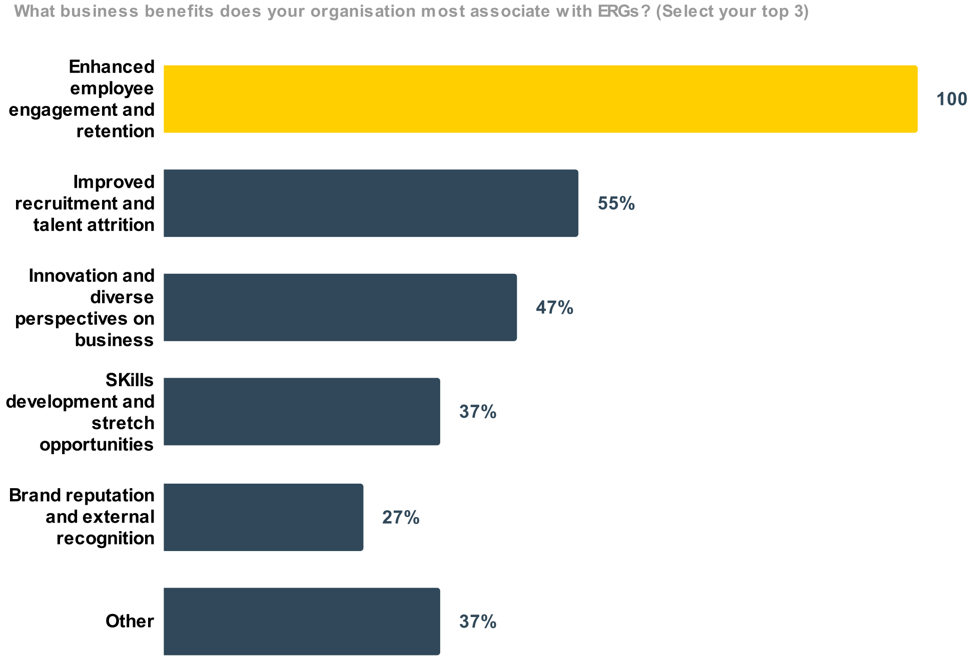
As we enter 2026, ERG leaders operate in a challenging moment. The broader DEI landscape faces unprecedented scrutiny, with political backlash rolling back corporate commitments and shifting public sentiment.

Pew Research shows that in the US, views on DEI are divided: 52% see it positively (down from 56% in 2023), while negative views have risen to 21%, up from 16% (Pew Research Center, 2024). Although this data reflects the US context, it influences global perceptions of inclusion work. ERG leaders around the world are feeling the ripple effects, as boards and executives begin to question the tangible return on their DEI investments. This external environment makes it critical for ERGs to demonstrate and communicate a clear business impact.

65% of respondents say their organisation has a business case for ERGs, yet only 24% believe it is widely understood or communicated. This disconnect undermines credibility and visibility not only at senior levels but also with line managers, who we established are key players.



100% associate ERGs with engagement; just 47% recognise innovation value



Internally, ERGs are well known for improving employee engagement, with 100% of respondents associating networks with this outcome. However, only 47% link ERGs to innovation in the business, and just 27% recognise their contribution to brand reputation or external impact.

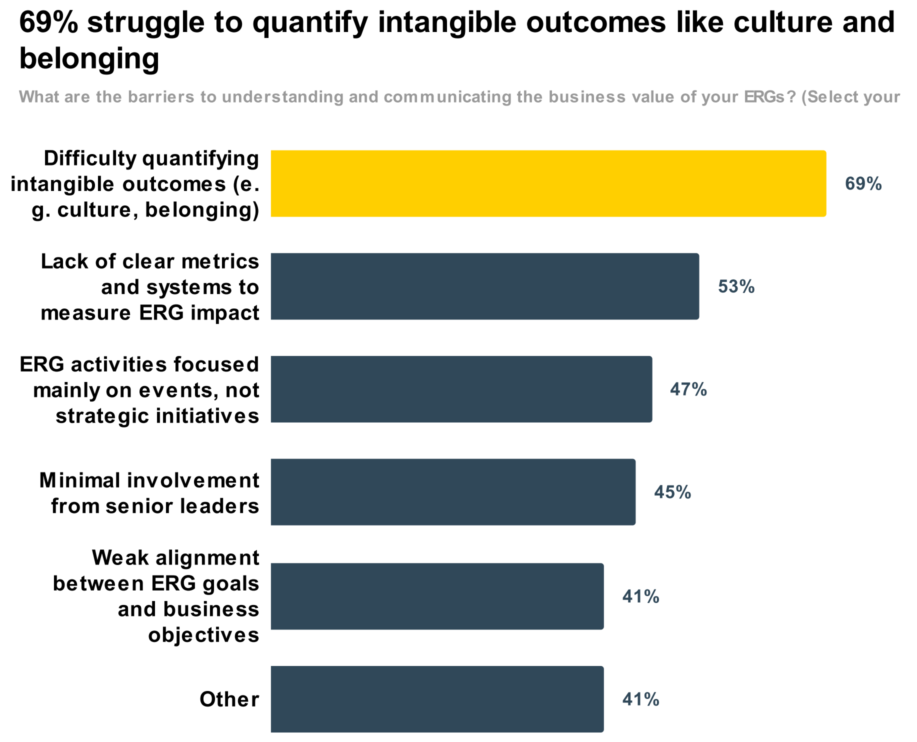
This perception mirrors the activity data: 100% of ERGs run awareness day events, 89% host social gatherings, and 85% organise networking sessions. Far fewer influence policy or process design. As a result, many networks are still perceived as social communities rather than strategic partners.

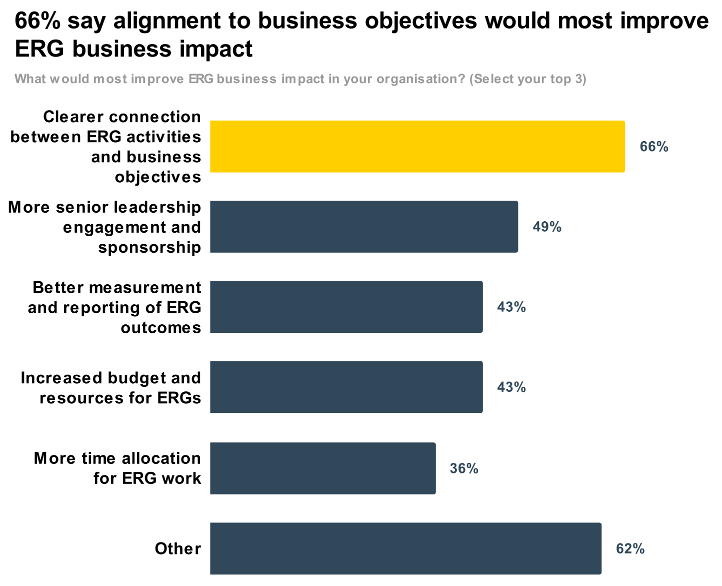
The issue is not only what ERGs do, but also how success is measured.

69% of respondents struggle to quantify intangible outcomes such as culture or belonging, and 53% lack clear metrics altogether. Nearly half (47%) say their activities focus mainly on events, which makes long-term measurement difficult.

Our experience mirrors this finding: most ERGs rely on anecdote and gut feel to design their interventions and evaluate their impact, rather than structured data. They are often not equipped with the data, the resources, or the reporting discipline that business functions use to justify investment.

Without evidence, ERGs risk being undervalued precisely when they most need senior-level advocacy and line managers in their corner.





The good news is that our survey respondents know what needs to change. 66% identified a clearer connection between ERG activities and business objectives as the single most impactful improvement their network could make.

Research supports this direction. Studies of effective DEI programmes show that the interventions which deliver measurable impact, such as policy redesigns, accountability mechanisms, and leadership pipelines, are structural, not celebratory (McKinsey, 2023).

Our work shows that when ERGs think beyond events, collaborating with other business areas such as sales, marketing, customer service and operations, they can have a profound impact not only on the organisation, but also on their members. They create belonging through contribution.

The same is true for external partnerships with charities, social enterprises and academic institutions. By working on projects that make a tangible difference in the world, there are many ways to align with the organisation's ESG goals.

Events have value, but only when linked to follow-up actions that embed learning into systems. To move forward, ERGs must complement awareness with analysis: defining success metrics, linking initiatives to organisational KPIs, and sharing results in business language that resonates with decision-makers.

This approach to ERGs requires a level of strategic thinking and business insight that should be brought to the table by the Executive Sponsor, with HR and DEI teams providing the mechanisms.

RECOMMENDATIONS

For ERG Leaders:

- When planning, include measurable interventions that affect customers or clients, the wider community, and colleagues outside the ERG
- Track and report 2–3 key measures quarterly; even basic trend data, such as membership, Net Promoter Score, or event feedback, builds credibility
- Over time, shift from counting activity (e.g. number of events) to measuring impact (e.g. policy improvements, leaders developed or promoted)
- Be clear with the support you need from your Executive Sponsor; involve them early in planning and ask for their input to ensure ERG work aligns with business goals

For HR & DEI Leads:

- Craft a clear business case for ERGs in your organisation that can be used to onboard Executive Sponsors, ERG Leaders and their line managers. Include examples and stories that showcase impactful ERG work
- Provide ERGs with an accountability and reporting framework and standard templates so that quarterly results are shared with the DEI Council or Inclusion Forum, with key achievements highlighted in Board-level People Directorate reporting
- Bring ERG Leaders together as part of the annual planning cycle to understand data and reporting requirements across all ERGs; work with them to identify the best way to resource these needs without overburdening leaders or duplicating BAU activity
- Act as the bridge between ERG needs and other in-house insight or analytics teams

RECOMMENDATIONS

For Sponsors:

- Be clear on the organisation's business case for ERGs, covering both tangible and intangible benefits, so you can articulate it fluently
- Advocate for ERGs by translating qualitative successes into quantitative business terms when speaking with senior peers
- Ensure ERG wins are shared in leadership meetings, newsletters, or town halls to reinforce visibility
- Challenge ERG leaders to align annual goals with strategic priorities and identify clear measures, then recognise them when measurable impact is demonstrated
- Work with HR and DEI to identify resources to support measurement; treat this as any other business investment that must demonstrate ROI

With impact unclear and scrutiny high, the question many ERG leaders ask is: how should this work be recognised?

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MONEY IS OFF THE TABLE

In an economic climate when budgets have tightened and scrutiny on DEI remains intense, money is largely off the table. Few organisations now offer financial recognition for ERG leaders, and most do not expect this to change soon.

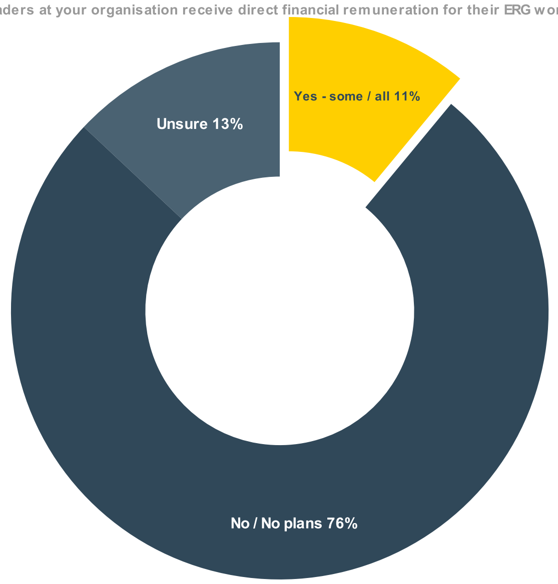
According to this year's survey, only 11% of respondents said ERG leaders at their organisation receive any financial remuneration. Yet the picture is more nuanced than frustration over funding. Over half of respondents (53%) said they were uneasy about paying ERG leaders, fearing it could reward visibility over genuine impact.

> "We see a lot of Global Chairs get a promotion during or slightly after their tenure"

> "Being invited to present our ERG strategy to the executive team did more for my profile than any bonus could."

Only 11% of respondents compensate some or all of their ERG leaders financially with direct remuneration

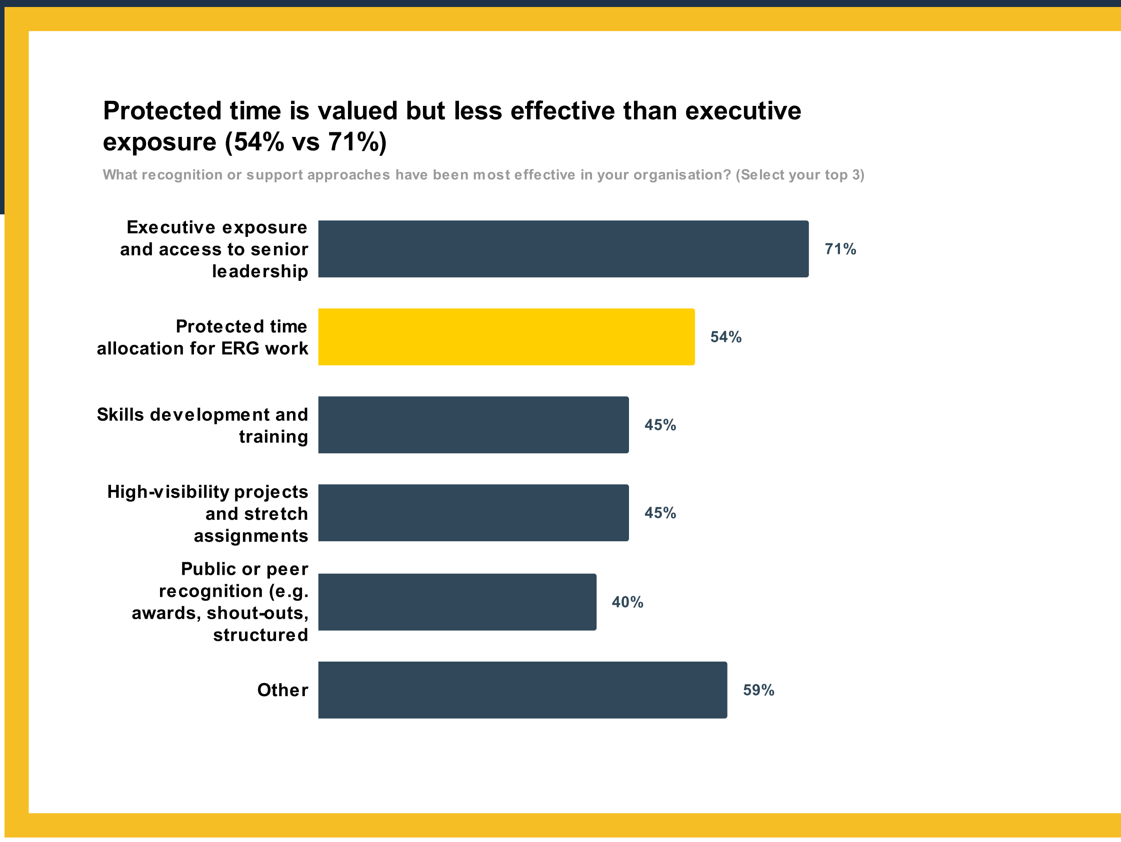
Do ERG leaders at your organisation receive direct financial remuneration for their ERG work?



This finding connects directly to the wider theme of impact explored earlier in the report. Until there is a stronger link between ERG activity and business impact, leaders will be cautious about anything that might reinforce the perception that networks are symbolic rather than strategic.

The idea of protecting time for ERG work feels intuitively fair. 35% of organisations already provide formal time allocation, and a further 58% say it is among the top changes that would most improve recognition.

When asked which forms of recognition have been most effective, 54% cited protected time. However, this sits notably below executive exposure (71%), and the data reveals a more complex story about implementation.



This may reflect the typical profile of ERG leaders, many of whom hold professional, specialist, or managerial roles measured on outputs rather than hours. Their day jobs are defined by delivery, not attendance. As a result, while 'protected time' is valued in principle, in practice it can be difficult to ring-fence, and could potentially be viewed negatively by line managers who see it as people being 'taken away' from their primary responsibilities.

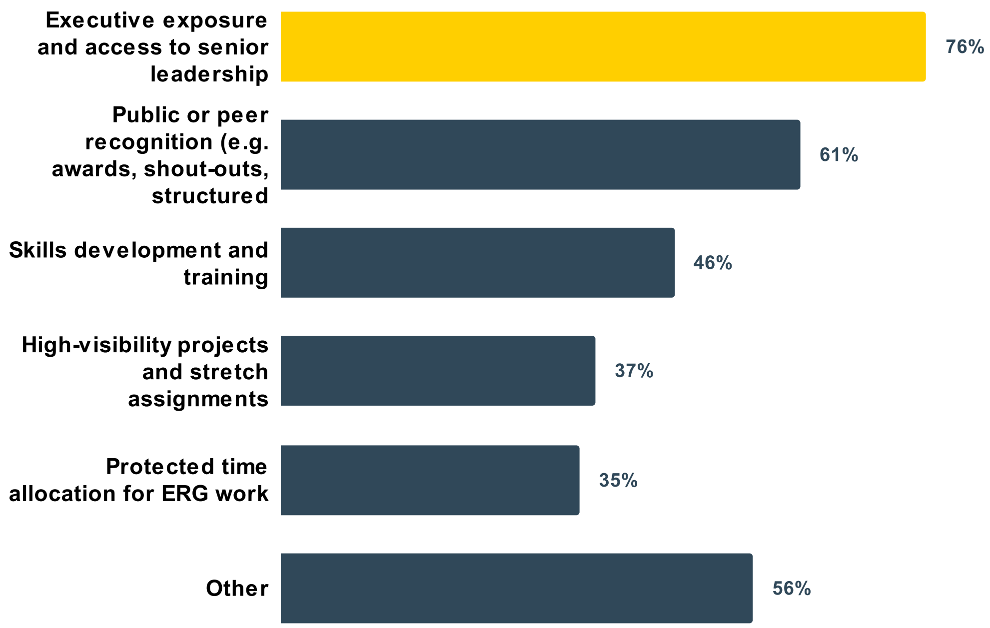
Without structural alignment and clear frameworks, protected time risks recognising effort rather than outcomes. For ERGs striving to prove strategic value, that distinction matters. Protected time works best when paired with clear performance metrics that acknowledge ERG contributions as business-critical work, not extracurricular activity.

When asked what recognition truly makes a difference, one theme came through loud and clear: access to senior leaders.

76% of respondents said executive exposure is one of the most common forms of recognition their ERG offers, and 70% rated it among the most effective. By comparison, traditional incentives such as allowances or bonus links lagged far behind.

Access to executives and senior leaders is regarded as a form of recognition by 76% of respondents

How are ERG leaders currently recognised / supported (beyond performance reviews)? (Select all that apply)



The power of senior access lies in its ripple effect. ERG leaders described it as opening doors to new projects, mentorship, and influence. For many, these opportunities have had a lasting impact on their confidence and career trajectory.

Visibility at this level signals trust and legitimacy. It positions ERG leaders as credible contributors to organisational success. It demonstrates that their work is leadership, not volunteerism. It is also not confined to the DEI space alone.

The 2025 data points to a shift from transactional recognition to transformational recognition. ERG leaders are not necessarily asking to be paid, they are asking to be valued.

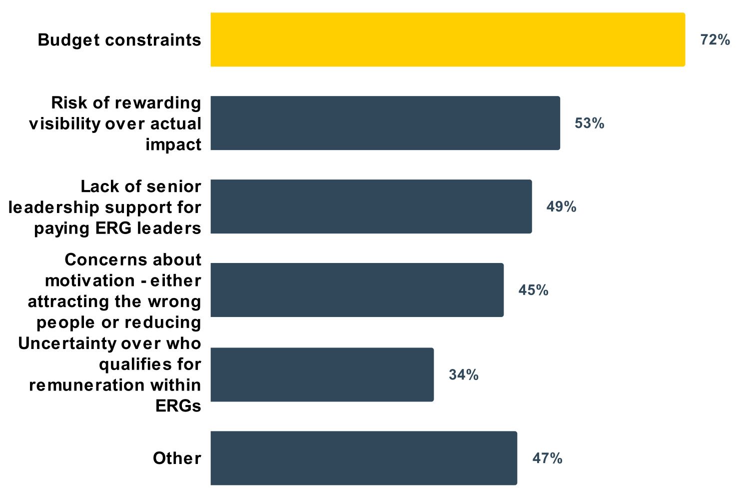
Recognition that matters now comes through access and influence, where ERG outcomes are visible, discussed, and connected to the organisation's wider success.

Money may be scarce and time under pressure, but opportunity for long-term recognition is there. When leaders are given access to senior decision-makers, supported to develop new skills, and trusted with meaningful visibility, they gain recognition that outlasts any financial reward.

This is the new currency of impact, one that develops future leaders, strengthens engagement, and ensures that ERG success is measured not in moments, but in influence.

72% cite budget constraints as the biggest barrier to financial recognition

What are your biggest concerns about ERG leader financial remuneration programmes? (Select your top 3)



RECOMMENDATIONS

For ERG Leaders:

- Perfect your pitch. Use your access to senior leaders strategically, share results, not just activities, and link them to organisational outcomes such as engagement, innovation or retention
- Practice storytelling; document success stories that demonstrate progress beyond events or awareness days; track and communicate impact regularly
- Reframe recognition. In your conversations with your Executive Sponsor and other Senior Leaders, be explicit about:
  - transferable skills you have developed
  - future opportunities you are interested in
  - introductions they can make or networks they can introduce you to

RECOMMENDATIONS

For HR & DEI Leads:

- Ensure ERG leader work is recognised in talent management and succession planning processes
- Develop guidance for line managers on how to recognise ERG leadership (and other project work) in appraisals and development discussions
- Engage line managers and ERG leaders in designing a 'protected time' policy that works for your organisation and the practical realities
- Encourage senior leaders to provide access, sponsorship, mentorship, and growth opportunities, the forms of recognition that survey data shows are most effective

For Executive Sponsors:

- Use your influence to provide meaningful visibility; invite ERG leaders to present insights and contribute to planning and strategy sessions
- Speak up and advocate for outstanding ERG leaders in talent management and succession planning processes
- Use your influence to connect ERG leaders with developmental and career-enhancing opportunities across the business
- Champion a broader definition of recognition, one grounded in access, influence, and development rather than purely monetary reward

LOOKING AHEAD TO 2026

The story emerging from this survey is one of evolution, not decline.

It is a call for ERGs to be recognised as credible groups of passionate people who make the world of work better, adding real value to the business.

And it is an opportunity to redefine what recognition truly means in a changing landscape, not just short-term reward, but meaningful opportunity and access for all.

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ABOUT THE 2026 ERG LEADER SURVEY

Who responded:

- **48% Diversity, Equity and Inclusion leads**
- **31% ERG leaders or co-chairs**
- **10% former ERG leaders**
- **7% HR or People team leads**
- **5% executive sponsors, partnership managers, or other roles**

Organisation profile:

- **36% from organisations with over 10,000 employees**
- **25% from organisations with 1,001-5,000 employees**
- **20% from organisations with 5,001-10,000 employees**
- **20% from organisations with under 1,000 employees**

Geographic distribution:

- 66% UK and Ireland
- 16% global or multi-regional
- 11% Canada, North, Central and South America
- 7% EMEA (Europe, Middle East and Africa)

This diverse mix of perspectives, from ERG leaders on the ground to DEI professionals and executive sponsors, provides a comprehensive and credible picture of the current state of ERG recognition and impact.