

NEXUS

OUTLEADERSHIP



The Pulse on UK LGBTQ+ Employee Resource Groups

2023 SURVEY OF NEXUS LGBTQ+ MEMBERS



About Out Leadership



Out Leadership is the world's premier global platform for businesses to drive LGBTQ+ equality.

We work closely with the world's leading companies to develop extraordinary talent, produce cutting-edge research, advance powerful advocacy, and improve business outcomes.



Out Leadership is a certified B Corporation, which means we have voluntarily met the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

About NEXUS



What is NEXUS?

NEXUS LGBTQ+ was established in London, UK in 2015 to bring together LGBTQ+ employee resource group (ERG) leaders across different sectors for presentations and discussions at in-person quarterly breakfasts. It's a completely free resource for LGBTQ+ ERG leads and their companies, led and curated by founder Daniel Ricard from PwC on a volunteer basis. For the first time in 2023, NEXUS joined the official programme of Out Leadership's annual Europe Summit.

How does NEXUS make an impact?

NEXUS enables ERG leads to build connections through facilitated speed networking and discussions, stay aware of key news items through quarterly updates, and learn best practices around driving LGBTQ+ progress from market-leading organisations and subject matter experts. Each meeting also highlights LGBTQ+-focused charities looking for corporate engagement to help ERGs drive social good.





Dan Ricard

Co Founder

NEXUS

The idea of NEXUS LGBTQ+ started in 2014, following the blueprint of an existing organisation bringing together the leads of women's/gender networks together originally called The Network of Networks. An open invitation to get LGBT network leads together for the first time was widely circulated through the DEI community, and 20 people showed up in a meeting room at BNY Mellon to talk about what could happen next.

I put my hand up to host its first event at PwC in May 2015. That was the beginning of the LGBT Network of Networks: a free resource for LGBT ERG leads to upskill themselves in their 'gay job' and learn from others. I met Alicia Millar from Reed Smith who became the co-chair with me, and for five years we organised quarterly breakfast meetings to bring the group together, hosted by participating firms. We tried and tested many different formats such speaker panels, debates and peer assists. We consistently brought together over 50 people each time to connect, learn and share with each other in-person.

In 2019, it was time for a refresh and brought some friends onto the team: Polly Shute and Ethan Spibey. We rebranded the group to NEXUS LGBTQ with a new logo and we introduced new content such as the 'Quarterly News Digest', but our fundamental purpose remained the same.

Covid hit in March 2020, and as a group based on meeting in-person, we decided that NEXUS would go on pause. By the time in-person corporate events were starting to come back in March 2022,

we weren't sure what the appetite for NEXUS breakfasts would be. To our huge surprise, there was a real desire to bring NEXUS back to reconnect on best practices and re-engage for more strategic conversations, particularly since

with the community. We've also held joint events with networks of network leaders for other diversity strands to surface potential common challenges, intersectional issues and areas for collaboration.

“NEXUS has covered many topics and issues related to the LGBTQ+ community like LGBTQ+ investment, bias in artificial intelligence, data collection, leadership and talent development, advertising and allyship.”

we were already starting to see that some of the hard-won gains for LGBTQ+ people around the world were going backwards.

As NEXUS successfully relaunched in spring 2022, I was also mindful that I wanted NEXUS to be more sustainable operationally as I progressed my career, so I approached Todd at Out Leadership to explore collaboration opportunities. And we kicked off our collaboration in January 2023 for our first quarterly breakfast of the year with Jane Barry-Moran presenting the early results of Out to Succeed 2.0.

Over the years, NEXUS has covered many more topics and issues such as LGBTQ+ investment, bias in artificial intelligence, data collection, leadership and talent development, advertising and allyship. At each meeting, we invite LGBTQ+ charities to do a spotlight to help connect our corporate participants

I'm incredibly appreciative of the organisations and speakers who have provided their resources and time so NEXUS could exist over the years. Alicia, Polly and Ethan have now moved on to different opportunities, but their contributions to the NEXUS ethos and the LGBTQ+ ERG eco-system have been invaluable.

I would also like to thank some of our longstanding friends and supporters: Vanessa Valley OBE at WeAreTheCity and Gender Networks, Justine Lutterodt, Kate Nash OBE, Justine Thompson, Clare Rowe, Geffrye Parsons, Reed Smith, PwC, and the Out Leadership team. Ken Janssens and Birgit Neu without whom this survey would have not been possible.

Dan Ricard



Todd Sears Founder & CEO, Out Leadership

The heart of any business is its people. That's why Employee Resource Groups (ERGs) are the lifeblood of any organization: they help communicate the needs of diverse communities to senior leaders, provide sanctuary communal space for affinity groups, and create relatable internal networking opportunities for employees who need strong connections the most.

As a former ERG member, chair, and funder myself, I've seen the ERG experience from all angles — and I know that they do not only impact companies internally, but also externally. At Credit Suisse, I tied engagement survey data to ERG membership, and found that ERG members were 10% more engaged than their colleagues across all the metrics that we measured.

Investing in ERG development is therefore an essential business imperative. By fostering a welcoming environment for all employees, ERGs elevate satisfaction, deepen engagement, and reinforce retention. While many organizations are continuing to increase funding for, engagement with, and attention to their employee resource groups, there are numerous opportunities for business leaders to reinvigorate their pledges toward LGBTQ+ equality by making strong commitments to their LGBTQ+ ERGs.

Data show that engagement leads directly to productivity, retention, and better business outcomes across the board. ERGs can, and should, help with internal engagement and education, but also with recruiting, business development, and brand building.

Out Leadership is honored to partner with NEXUS on this research and we encourage every business leader to leverage these insights to continue advancing LGBTQ+ equality wherever they do business.

Together, we can change the world one company at a time.

Ever onward,
Todd Sears



“By prioritizing ERGs, leaders not only foster a culture of inclusion but also harness the power of LGBTQ+ equality to drive innovation, elevate their brand, and, most importantly, ensure their organization’s enduring success in an ever-changing world.”



Introduction

NEXUS relaunched in person for a breakfast in May 2022 and we held four events that year.

Between the pandemic and the political headwinds, we heard from our NEXUS participants anecdotally throughout the year that LGBTQ+ inclusion had fallen lower down the DEI team's priority list in their organisations and had less dedicated resources than pre-pandemic, putting more pressure on the LGBTQ+ ERGs to pick up the slack. LGBTQ+ ERG leads talked about feeling less connected to their DEI teams. In addition, many ERG leads who were new to NEXUS had come into their ERG roles during the pandemic, and they were expressing challenges around not necessarily having the right internal relationships to be effective in their ERG roles.

From our vantage point, all of these factors combined could mean that organisations might not be getting the best out of their LGBTQ+ ERGs or delivering on their LGBTQ+ ambitions. And this is where the idea of this survey started – **we wanted to have better evidence around what is actually going on to ensure that we are targeting our support for our participating LGBTQ+ ERG leads to the areas where it is most needed.** That means sharing what we learn in this survey with the leaders in our participating organisations to where their help might be needed to drive progress moving forward.

I'd like to say a big thank you to the 64 UK organisations who completed the survey. We sincerely hope these insights will be used in multiple ways. While we aim to support existing LGBTQ+ ERG leads to have strategic conversations internally

with their DEI teams, sponsors, allies and leaders, we also want to encourage more organisations to launch LGBTQ+ ERGs that are really effective from day one because they design the best practices into their plans from the start.

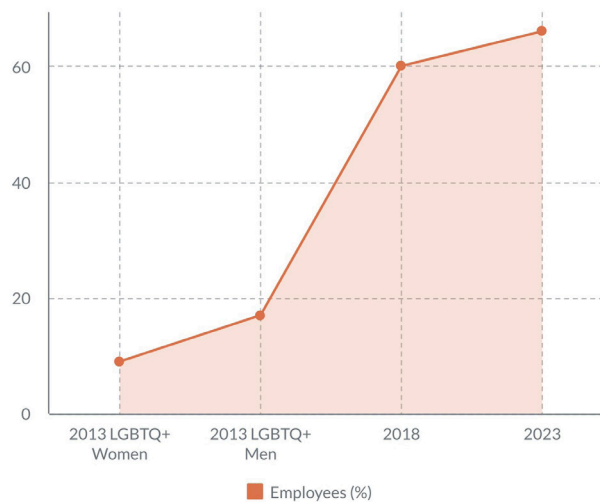
As always, we will keep monitoring the conversations and feedback through NEXUS and our Out Leadership partnership, and we will look to understand how things may change off the back of this research to inform our next steps!

I'm also very much looking forward to 2024 and continuing our partnership with Out Leadership through additional research opportunities and bringing the NEXUS ERG leaders together in the spring for Out Leadership's 2024 Europe Summit!

“LGBTQ+ employee resource groups can be a strategic asset for any organisation's bottom line. They can fuel innovation, enhance talent retention, and drive business success by creating an inclusive environment where every employee can fully contribute, resulting in a stronger, more competitive companies.”

Birgit Neu
Senior Adviser, NEXUS

Employees who see their LGBTQ+ identity as having a positive impact on their ability to do business (%)



Out Leadership, Out to Succeed 2.0 (2023) https://outleadership.com/wp-content/uploads/2023/09/Out-to-Succeed-2.0-FINAL_g_27.pdf

High Level Insights

This survey aims to answer the question: *Is the potential strategic value of LGBTQ+ ERGs being maximised within organisations in 2023?*

The purpose of our research is to understand the extent to which the potential strategic value of LGBTQ+ employee resource groups (ERGs) is being maximised within companies as part of their diversity, equity, and inclusion (DEI) ambitions.

LGBTQ+ ERG Successes

- 16% reported that their ERG budget increased over the past year, 54% reported no change, and just 5% reported an ERG budget decrease.
- 71% felt that their ERG sponsor was actively engaged and/or well-positioned to add value.
- The three most common topics of intersectional ERG activities are Women/Gender, Race/Ethnicity, and Mental Health/Wellbeing.
- LGBTQ+ self-identification data is being collected about candidates as part of recruitment for 49% of surveyed companies.
- LGBTQ+ self-identification data is being collected about employees for 84% of surveyed companies.

Opportunities for Growth

- Only 57% of respondents felt that the budget allocation process for their LGBTQ+ ERG is fair compared to other ERGs in their company.
- ERG leadership recognition is poor: only 25% reported that it was formally recognized via performance objectives and reviews.
- 55% felt that Women/Gender was the higher priority at their company.
- ERG involvement in commercial/external-facing activity is not very common, as only 20% of surveyed ERGs confirmed they were involved.



“Embracing intersectionality within employee resource groups is not just a moral imperative; it’s a strategic advantage. When we recognize and honor the multiplicity of identities, we tap into a wealth of diverse perspectives, ideas, and talents.”

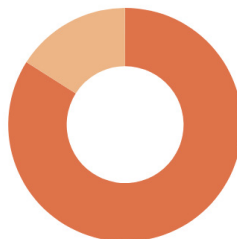
Jane Barry-Moran
Managing Director, Programs & Research, Out Leadership

71% felt that their ERG sponsor was actively engaged and/or well-positioned to add value.



■ Sponsor added value (71%)
■ Sponsor did not add value (29%)

LGBTQ+ self-identification data is being collected about employees for 84% of surveyed companies.



■ Not collecting (16%)
■ Collecting self-ID data (84%)

Findings & Analysis

LGBTQ+ employee resource groups (ERGs) can be an invaluable component of the social fabric of your organisation, providing critical support, community, insight, innovation and advocacy for your LGBTQ+ employees and stakeholders.

In many cases, organisations had LGBTQ+ ERGs before they had ERGs for other diversity strands (beyond gender/women's groups which tend to be the most common and longest-standing ERGs), so some LGBTQ+ ERGs may have already existed now for several years. 67% of FTSE 100 companies spotlight them in their diversity, equity and inclusion (DEI) and/or ESG reporting as positive proof points for organisational DEI intent.

The DEI landscape continues to grow and evolve across different aspects of diversity. Organisational focus can shift, and different things may take priority in the DEI agendas – impacting what

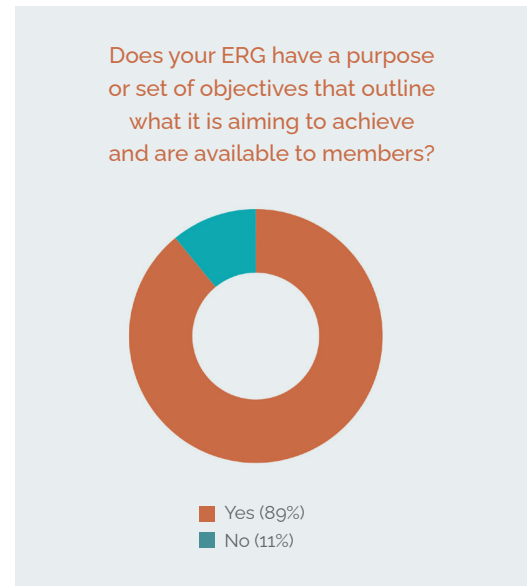
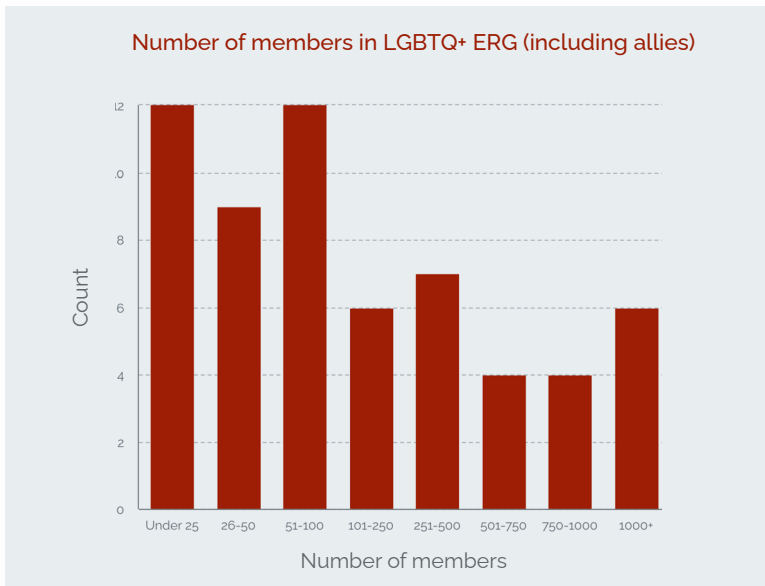
leaders and the formal DEI teams (where those exist) are spending their time on.

Given the sharp rise in anti-trans rhetoric across the UK, safe spaces within workplaces are becoming as important as ever.

This research evolved out of conversations within NEXUS following the COVID lockdowns which suggested that perhaps in some cases, leaders and DEI teams have been focussed almost entirely on other diversity strand priorities – leaving LGBTQ+ progress in those organisations solely in the hands of their LGBTQ+ ERGs.

We wanted to use this research to explore what the reality around that is, and to take this opportunity to help senior leaders ask the right questions to make sure your LGBTQ+ ERGs are effective and appropriately aligned to delivering the outcomes business leaders expect.

COMPANIES WITH ERGS THAT COVER OTHER DIVERSITY STRANDS	
DIVERSITY STRAND	%
Race/Ethnicity	92%
Women/Gender	89%
Disability	69%
Family/Parents/Carers	67%
Mental health and wellbeing	67%
Neurodiversity	53%
Faith/Religion	47%
Veterans/military	39%
Social mobility/class	31%
Age/Generations	22%
Other	8%



While LGBTQ+ ERGs may play a pivotal role in highlighting the challenges and needs of that community, relying on them too heavily to deliver the LGBTQ+ component of your organisation's DEI strategy may be problematic for several reasons. Here's why:

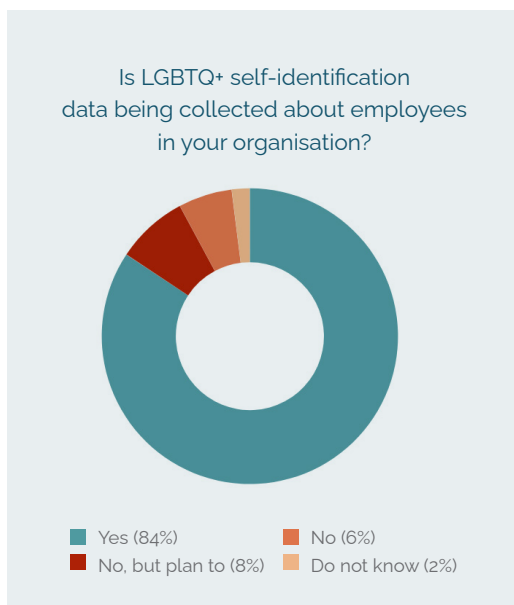
1. Limited scope and perspective within LGBTQ+:

There is a broad spectrum of experiences and identities within the LGBTQ+ community. While an ERG may strive to represent the fullest possible spectrum of LGBTQ+, as a volunteer organisation run off the sides of desks, an ERG might not be capturing as much of that spectrum as expected for any number of reasons – in fact, only 18% of survey participants said that self-identification data is being collected by their ERG about its members or participants. If, for example, an LGBTQ+ ERG is heavily populated by gay male employees, their activity and output may (unintentionally) leave out or overshadow the unique experiences and challenges faced by lesbian, transgender, non-binary, bisexual, or asexual individuals. Also, a lack of representation within the LGBTQ+ ERG from other under-represented

diversity strands (e.g. a lack of ethnic minorities, different socio-economic groups or people with disabilities) may further limit the effectiveness of the ERG in appropriately reflecting the community it's meant to speak for. **Our survey found that in the past 12 months, less than 45% of LGBTQ+ ERGs have engaged in activities around intersectionality with women and gender, and 48% have engaged in activities around race and ethnicity.**

2. Risk of Echo Chambers:

ERGs typically start from a desire to have safe spaces for shared experiences and mutual support that sit separate to formal employee engagement or HR channels. While safe spaces and sometimes less formal structures for ERGs can be very important, the watch-out here is that a lack of formality or structure can sometimes lead to the group becoming an echo chamber that reinforces certain dominant perspectives within the group while (inadvertently) marginalising others. As a result, the solutions and plans proposed in that environment might not address the broader views of the ERG's participants or the wider LGBTQ+ community in the organisation.

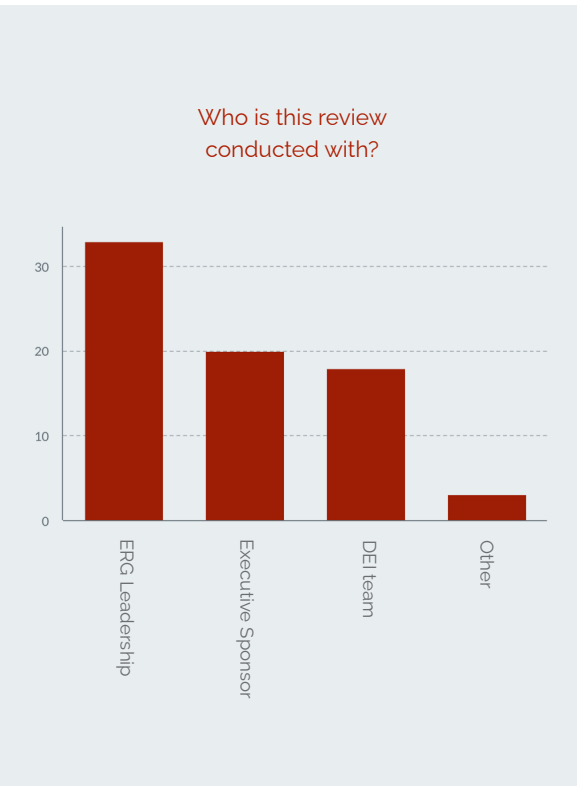
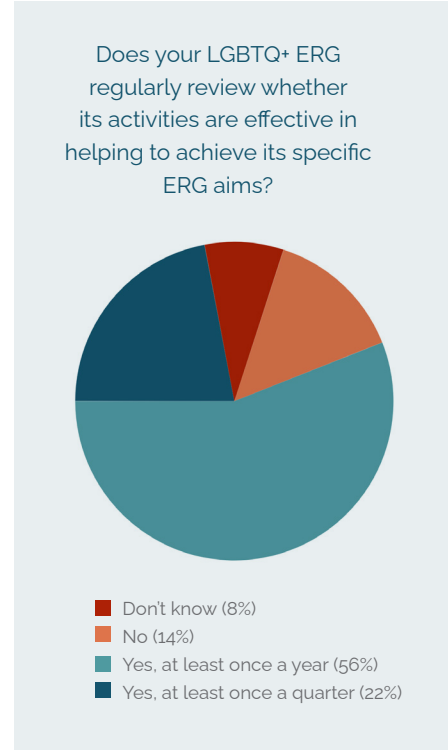


TOPICS COVERED WITHIN THE AIM OF LGBTQ+ ERG	
TOPIC	COUNT
Providing a safe space and sense of belonging for LGBTQ+ employees	52
Raising awareness of LGBTQ+ issues in the workplace	50
Influencing the organisational DEI agenda for LGBTQ+ issues	47
Increasing LGBTQ+ representation in the company	41
Improving connectivity and networks for LGBTQ+ employees	41
Providing employees with access to LGBTQ+ role models	38
Improving outcomes for the LGBTQ+ experience within the company with specific stakeholders	30
Providing mentoring or reverse mentoring opportunities	26
Other	3

3. Risk of Overload and/or Misalignment:

LGBTQ+ ERGs are networks typically formed by employee volunteers with lived experience of LGBTQ+ and its allyship. These volunteers commit their time and effort to the ERG in addition to their day job responsibilities. As we can see from the survey results, ERGs can lack the appropriate dedicated resources, whether that's headcount, budgets, training, skills, data and insight access, bandwidth and/or seats at the right tables. **Only 64% of survey respondents said that their ERG collaborates directly with the company's DEI team, and 52% collaborate with the company's Corporate Communications.** While there are great benefits to be gained from ERGs that can attract a unique mix of participants from different business areas and/or levels of seniority, that may not automatically mean that the ERG includes participants with the right mix of experience around governance,

leadership, interpersonal skills, project management, event management, marketing, communications, HR, data privacy, sales, procurement, sustainability, strategy or other functional specialisms which may be necessary to either run an LGBTQ+ ERG effectively and/or design and deliver an impactful LGBTQ+ component of a corporate DEI strategy that can drive the desired change across a variety of stakeholders. As it stands, a mere 9% of survey respondents' ERGs work alongside Talent Management and Succession Planning with their company, and only 27% of surveyed ERGs have received formal recognition from company leadership. When organisations rely too heavily on an LGBTQ+ ERG to design and deliver the LGBTQ+ component of their DEI strategies, they risk putting too much pressure on these volunteer groups with responsibilities beyond their scope and capability.



4. Lack of Decision-making Power:

ERGs might not have the necessary decision-making power or influence at the right tables to get things done. While they can advocate for policies, raise awareness of key LGBTQ+ issues, or suggest updates to products and services that would make them more LGBTQ+ friendly, the ERGs might not have the authority to implement policies, educate colleagues who are not participating in the ERG, or get changes/updates included in product/service roadmaps.

Expecting an ERG that was created as a supportive community to have the impact of a transformation programme without the capabilities, resources and/or authority can be detrimental to both the people involved and the entire LGBTQ+ agenda in the organisation.

5. Assuming that “the LGBTQ+ ERG will do it” can absolve broader responsibility:

DEI should be a holistic organisational effort with specialists in place to oversee design and delivery of organisational strategies and key systemic changes.

Our survey data found that about one in five LGBTQ+ ERGs have an executive sponsor who is not actively engaged and/or well-positioned to add value. If an organisation places the responsibility for LGBTQ+ progress solely in the hands of their LGBTQ+ ERG, then other leaders, departments and teams might feel it's not their responsibility to foster inclusivity or address LGBTQ+-related challenges. This segmented approach hinders the effectiveness of any DEI strategies. Executive sponsors have a significant role to play to help ensure that LGBTQ+ ERGs have an appropriate level of accountability versus other key stakeholders within their organisation.



LGBTQ+ PEOPLE/ISSUES ARE PRIORITIZED VERSUS OTHER DIVERSITY STRANDS IN THE COMPANY'S DEI STRATEGY IN YOUR COUNTRY			
DIVERSITY STRAND	HIGHER PRIORITY THAN LGBTQ+	SAME PRIORITY AS LGBTQ+	LOWER PRIORITY THAN LGBTQ+
Women/Gender	29	24	0
Family/Parents/Carers	5	30	10
Age/Generations	0	17	15
Race/Ethnicity	23	30	0
Faith/Religion	1	25	10
Disability	2	38	4
Mental health and wellbeing	17	24	4

TYPES OF LGBTQ+ EXTERNAL ORGANISATIONS AND NETWORKS THAT LGBTQ+ ERGS CONNECT WITH TO DRIVE BUSINESS AND SOCIAL IMPACT	
EXTERNAL ORGANISATION	COUNT
LGBTQ+ charity or community organisations	29
Umbrella sector networks (e.g. Interbank, Interlaw)	28
LGBTQ+ ERGs within the same sector	26
LGBTQ+ membership-based organisations	22
LGBTQ+ ERGs of your clients	17
Broader diversity organisations that include LGBTQ+ activity	16
Other	4

Call to Action for Senior Leaders

Getting it Right

As senior leaders who care about LGBTQ+ progress, it's important to periodically check in the current state of the LGBTQ+ ERG with its executive sponsor and leadership team to ensure that it is well-positioned to be a successful component of your organisation's DEI ecosystem – especially if it is being highlighted in external reporting as a critical aspect of your DEI activity. Key questions you may want to address as part of a check in include:

1. Mission and Objectives

Does the LGBTQ+ ERG have a clear mission, vision, objectives, strategy and implementation plan that are appropriate and realistic for what it can deliver based on what it is (e.g. a volunteer network with an ever-changing mix of employees of different seniorities and from different business areas)?

2. Collaboration Across Business

Is the LGBTQ+ ERG working in collaboration with dedicated DEI resource which is addressing other systemic elements of LGBTQ+ progress within a broader DEI strategy? Is the remit of the responsibilities of the LGBTQ+ ERG versus other constituents within your DEI ecosystem well-understood (e.g. does the business leadership team understand its responsibilities on LGBTQ+ progress versus the ERG)?

3. Identifying the Right Leaders

Do the LGBTQ+ ERG's leaders have the right skill set to run a volunteer network (e.g. have they been recruited through a formal process with detailed role descriptions)?

4. Focus on Objectives

Do the LGBTQ+ ERG's mission, vision and objectives align to your expectations (e.g. has it set out to have a sole focus on providing employee support when you expect it to be engaging with customer, supplier and community-facing teams too)?

5. Intersectional Diversity

Are the ERG's leaders, participants, activities and outcomes representative of the fullest possible spectrum of LGBTQ+ and broader diversity in line with the DEI definitions your organisation is working towards? If not, are actions underway to expand that?





6. Wider Engagement

Involve LGBTQ+ ERGs in commercial/ external facing activities: For example, they can help ensure an authentic representation of LGBTQ+ identities in advertising and LGBTQ+ inclusive product design. They can also be brought in as companies seek to help clients and suppliers on their own journeys to become more LGBTQ+ inclusive.

7. Value All Voices

Is the LGBTQ+ ERG inclusive of different perspectives and encouraging diversity of thought (e.g. not working to an agenda of a limited number of loud voices in the group)?

8. Properly Resource the ERG

Does the LGBTQ+ ERG have the resources, people and connectivity (e.g. connectivity to data and insight, functional expertise, leaders or decision-making forums) needed to deliver against its stated objectives, or is it running into barriers which may need leadership support to be addressed?

9. Measure Impact

Is the LGBTQ+ ERG delivering against what it has set out to do? Are there metrics and monitoring in place to understand how it is performing against its objectives?

10. Recognise your employees' contribution to the wider organisation

Are your employees conducting this above and beyond role appropriately recognised through your performance management processes by their local line managers and differentiated from their peers?

Survey Methodology

NEXUS LGBTQ and Out Leadership conducted a survey of 64 LGBTQ+ ERG (employee resource group) leaders across the UK over a time period of April 2023 to August 2023. Participants include LGBTQ+ ERG leaders, executive sponsors, and other ERG committee members from NEXUS LGBTQ and Out Leadership's membership networks.

All of the surveys were conducted online and all quantitative surveys were conducted on a confidential basis.

The base for all figures is 64 ERG leaders, unless otherwise stated. This research was undertaken by NEXUS LGBTQ+ and Out Leadership. Not all figures add up to 100%, as a result of rounding percentages.

For the purposes of this survey, we recognise that LGBTQ+ represents a different share of populations than other diversity strands in different countries; different companies have

different approaches to DEI strategies, teams and naming conventions; there may be different levels of maturity within different DEI topics within a company including around LGBTQ+ inclusion; and not every company is addressing every aspect of diversity.

We also know that survey participants may have different levels of access to information about what their companies are doing, so we anticipate that some responses may be based on perception.

The following terms may be used interchangeably:

- ERG or network, business resource group (BRG), colleague network, affinity group.
- ERG leader or co-chair.
- ERG steering group or leadership committee.

"Activities" is used to mean both events and other initiatives/efforts that ERGs may be involved in.



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