Diversity, Equity + Inclusion
Best Practices Case Study

Fender Musical Instruments:
Employee Resource Groups

Fender®
About Fender

An American icon, Fender was founded in Southern California and has established a worldwide influence that extends from the studio to the stage—and beyond. Everyone from beginners to the world’s most acclaimed artists have used Fender instruments, amps and gear, making the company not only a revered industry leader but a cultural symbol that resonates globally. Nearly seven decades since founder Leo Fender built his first electric guitar, Fender’s reach transcends instruments and accessories, encompassing a range of innovative digital experiences that fuel musical expression and serve players at every stage—on every stage.

Program Summary

During the national conversations about race and injustice in June 2020, Fender’s employees, in partnership with Human Resources, held meetings to discuss current events and how to create diversity, equity, and inclusion initiatives to ensure that all employees felt supported and that Fender’s activities reflected these values.

Fender reached out to other companies in the National Association of Manufacturers network to collect information about other ERG models, getting benchmark data from 15 companies and holding in-depth discussions with ten companies. Drawing from the models of other companies, Fender’s HR team identified the portions of the other models that would fit Fender’s priorities and needs best. As a driving force, the team articulated their goal as “creating a place where all employees feel comfortable and confident speaking up and creating allies who can be leaders throughout the entire company.” As a company, Fender “supports the formation of ERGs with the primary focus of supporting our strategic business initiatives, providing networking and professional development opportunities, supporting community outreach programs, promoting workplace belonging and raising cultural awareness.”

Tags

Internal, Long-Term, Site-Dependent

Launch Time

2-3 months

Location

Los Angeles Headquarters and Nationwide Manufacturing Sites

Budget

$ - $$ depending on event costs

Complexity

1 out of 3 light bulbs

“How do we create a place where everyone communicates and feels heard rather than staying within their teams or departments?”
Within the 30-person HR team, four people came together as the DEI team and created Fender’s DEI focus areas of Recruiting, Employee Resource Groups, and Communication. Fender held a series of ERG planning meetings with any interested staff to establish the purpose and leadership structure for each ERG, as well as details like leadership term limits, budgets, and benefits of ERG leadership to share with the leaders’ managers. Each ERG has an executive sponsor, an HR lead, a staff president, and two co-leads. Each ERG must have at least 10 members and plans activities around one of the 4 Cs that Fender identified as priorities:

**Careers:** How do we ensure that our staff is representative of our communities and customer base? Who is being left out of hiring/retention efforts and how can we change that?

**Culture:** How do we create a place where everyone communicates and feels heard, rather than having “silos” or people isolated by sites/offices/departments?

**Commerce:** Do our business practices align with our DEI values and goals?

**Community:** How do we use our company’s particular strengths and values, including employee skills, industry connections, and manufacturing capacity, to serve our community?

For an employee to join an ERG, they sign up directly and attend activities as they are able. To make sure that programming fits most people’s schedules, HR schedules events for the ERGs, usually scheduling during the lunch hour or at the end of the day.

These meetings also gave the DEI HR team ideas for goals within the 4 Cs, such as diversifying Fender’s signature artist group. In 2020, HER was the first Black woman artist to be featured, so the team wanted to make that a continued focus by expanding into more genres (such as R&B and Gospel) that have been historically associated with artists who are Black, Latinx, and/or women.

Since the ERGs were created, they have had a range of programming, such as roundtable discussions and Zoom events, which have lower costs and a wider pool of speakers for the ERGs to choose from. In the future, more extensive programming will center on historic or nationally recognized events, such as a series of Black History Month events. In addition, the ERGs can host joint events, partnering for overlapping holidays like Women’s Day and Black History Month.

**Program Impact**

According to Catherine Ferraro, Fender’s Director of Human Resources and the lead for the Culture focus area, the biggest impact of Fender’s ERGs has been the level of support employees feel from their colleagues, HR, and leadership. During a year that has been turbulent for everyone in different ways, Fender’s employees have felt comfortable sharing how current events are affecting them, knowing that the company will back them up if they experience discrimination or injustice of any kind.
Steps for Implementation

1. Collect information about similar companies’ models
2. Clarify priorities and needs
3. Identify focus areas and key players
4. Get employee feedback and shape the initiative(s) accordingly to ensure the initiative(s) meet employees’ needs and expectations
5. Clearly message initiative(s), set rules and expectations, and invite everyone to participate
6. Collect ongoing feedback and adjust initiative(s) as needed

Best Practices

1. UNDERSTAND ORGANIZATIONAL NEEDS AND YOUR ORGANIZATION’S STARTING POINT

During the planning process, find out when employees have felt supported (or not supported), which environments feel supportive (or uncomfortable), what employees are requesting to feel belonging and safety, if people feel safe speaking candidly with each other and leadership, and how much of a priority DEI initiatives will be (including budget, time, and if DEI conflicts with another organizational priority or activity). Based on this starting point, you can shape your DEI activities around the areas that employees have identified as barriers to belonging and ensure that your activities will be sustainable.

2. SET EXPECTATIONS FOR THE INITIATIVE(S)

Some participants may want initiatives to move faster, slower, or differently, so methodical planning and clear messaging is key for buy-in. In your company, what will be the best methods to curry interest in both DEI participation and leadership? What will be expected (in terms of time commitment, knowledge, respectful conversations, etc.) of participants, and how does that differ from the expectations of leaders? How will disagreement be addressed, especially as DEI topics can be sensitive and/or controversial?

In addition, do not require everyone to participate or ask only “diverse” employees to participate. Willing participants will be more enthusiastic and ultimately effective in whatever work they do, and only asking “diverse” employees to lead DEI initiatives can make them feel singled out, as they may not wish to take on the emotional toll of leading these initiatives or they may simply wish to focus on other parts of their role. In the same way that not all religious people are professional theologians, people with marginalized identities are not all experts in corporate DEI initiatives.

3. STRENGTHEN YOUR HR TEAM

Be sure your HR team is trained on DEI topics and organizational change so they are equipped to guide your employees through the process. HR should be a safe, reliable place for people to go when they have questions, concerns, or ideas about the DEI planning process, and can be an invaluable support resource as any DEI initiative begins. For example, in one meeting, two Jewish members of the social media team shared that they had deleted noticeably more anti-Semitic comments over the previous month, which was distressing for them, but not all members of the team had realized this. By discussing potential solutions with their team and HR, the social media team created a stronger filtering and deleting process for Fender’s social media, ensuring that their team members were better supported.
4. BE OPEN TO ADJUSTMENTS

For Fender, making tweaks to the ERG structure according to people’s feedback has been important for the ERGs’ success so far. For example, ERG presidents were initially required to be at the Director or Vice President level, but the DEI HR team found that this rule excluded people who could still be great leaders in the ERG realm. After undoing this rule, the team found that the ERG election process became more exciting and competitive. The change also led to even more invested ERG presidents who have more capacity than a Vice President-level employee would have, and are motivated to go above and beyond for the role.