



The Business Case for Diversity in the Workplace: sexual orientation and gender identity

Report on good practices

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Foreword

The European Commission is committed to fighting discrimination on the grounds of sexual orientation, gender identity and sex characteristics throughout the European Union through a series of concrete activities running from 2016-2019 (the [List of Actions to advance LGBTI Equality](#)).

Businesses have a key role in contributing to a more just society by creating inclusive workplaces where Lesbian, Gay, Bisexual, Transsexual and Intersex (LGBTI) employees can be themselves, just like everyone else. I am therefore very pleased to present the "***The Business Case for Diversity in the Workplace: sexual orientation and gender identity. Report on good practices***", one of the initiatives foreseen in the List of Actions.

Over recent years, there has been growing support across the European Union for measures fostering diversity at the workplace: 80% of people in Europe share this view, according to the 2015 Eurobarometer on Discrimination. However, the survey still shows considerable disparities between EU countries in terms of social acceptance of LGBTI people at the workplace. In addition, the latest survey of the EU Platform of Diversity Charters indicates that only 15% of the signatories of a Diversity Charter have specific measures in place to ensure inclusion for LGBTI people at the workplace.

The aim of this study is to fill this gap by providing examples of good practices adopted by companies in the EU that actively promote LGBTI inclusion, highlighting the social and economic benefits that this can bring. The examples collected show that the business case for diversity and workplace inclusion is being taken seriously by a growing number of European companies. We hope that this report will inspire and motivate other companies to develop similar LGBTI inclusive policies.

The European Commission is committed to continuing to raise awareness among businesses in the EU of the importance of diversity and inclusion in the workplace and to support their efforts to make this happen.

Tiina Astola

Director-General for Justice and Consumers



1 Introduction

1.1 LGBTI Diversity & Inclusion: practice worth spreading

Companies across the world are increasingly giving recognition of, and commitment to, LGBTI (lesbian, gay, bisexual, transgender, and intersex) diversity and inclusion.¹ The initial impulse for LGBTI inclusion emerged from the United States, especially in multinational companies. Nowadays the commercial and social value of LGBTI diversity and inclusion are also recognised in a number of national companies and in Europe as well.

This report² presents the different policy options available to companies that intend to promote LGBTI equality. They are based on a selection of case studies which detail current practices adopted by a number of organisations³.

The case studies were collected from 21 organisations active in the industrial and service sectors, 17 of which based in the European Union and 4 headquartered in the US (but with offices in the EU). EU-based companies were identified in all sub-regions, from Northern to Southern and from Western to Eastern Europe. In total, examples were drawn from 10 different EU countries as well as the United States.

The purpose of presenting the good practices of these companies is to enable company managers, Human Resource Management (HRM) departments, consultants and other interested readers to gain insights into what can be done to promote LGBTI inclusion from a company/business perspective. There is in fact initial, but already sufficient experience which is worth spreading and replicating across Europe.

In this first chapter we provide an overview of the issues relating to diversity and inclusion, with focus on sexual orientation and gender identity and why they are important for business. In the following chapter (chapter 2) we discuss the main drivers, implementation issues and success factors that emerge from a horizontal reading of the case studies. In the subsequent chapters we define and illustrate a typology of good practices with examples. We start from internal networks of LGBTI employees and straight allies (chapter 3) that are often the first step in promoting a diversity and inclusion culture. Then, we look at more formal instruments such as charters, codes of conduct and company policies (chapter 4) that may be used to underpin inclusion and non-discrimination. We conclude our review of internally-focused initiatives with a chapter on awareness raising and training initiatives that are important to change the culture and realise policy statements (chapter 5). We then move to externally-oriented practices – the coherence between the external and the internal dimension of diversity and inclusion is very important. Market-oriented initiatives such as commercials and ads correctly depicting LGBTI people and the promotion of specific products and services are first presented (chapter 6). Then, we look at forms of public engagement beyond commercial activity such as public

¹ This acronym is adopted in compliance with the terms of reference of the study and the EU terminology, and does not imply that all the components (particularly the intersex one) are explicitly addressed in all the initiatives it is referred to in the report..

² The report has been prepared by a team from Ecorys in cooperation with the Workplace Pride Foundation.

³ Viacom, Cardiff University, KPMG UK, Vivofriendly, SAP, Accenture, Queer Altern, Aegon, Erste group bank AG/ Česká Spořitelna a.s., Cisco, Emile Frisch, Daimler, Ireland Prison Service, Dow, PostNL, IBM, PWC, ING, Queerbau, KPN, Respect APP, Barilla. In the remainder of the report, the term "company" is used for simplicity although information is also derived from a few public sector bodies.

statements, sponsoring LGBTI-related events and engagement with clients and suppliers (chapter 7). Some conclusions and recommendations are finally provided.

1.2 Sexual orientation and gender identity: a long overdue dimension of Diversity & Inclusion

In the diversity literature, inclusion is regarded as a state where the workforce is valued, respected, and supported. Diversity is based on organisational culture, management practices, and interpersonal relationships that support the full utilisation of a diverse workplace at all levels, and in all functions of organisations⁴.

Several phases in the development of the concept of diversity and inclusion can be identified. Attention to diversity was established in the 1960s and 1970s through the requirements imposed by equal treatment legislation. Organisations had to become concerned with discriminatory behaviour that could result in workplace discrimination, such as racism, ageism, sexism, misogyny, and ableism. In the 1980s, compliance with diversity-related legislation entailed an increase of costs for companies. To reduce such costs, and especially those due to legal complaints, some organisations looked more into prevention, for example through diversity-related training that recognised differences, thereby encouraging all employees to contribute to organisational goals.

In the 1990s there started to be emphasis on the “business case” for diversity noting that actions, such as increasing diversity, would enable organisations to utilise the talents and abilities of all employees, which may be critical for productivity and success in an increasingly complex and dynamic business environment. From managing diversity-associated costs, attention then turned to the unrealized (or under-realized) potential offered by the increasingly diverse workforce. In the early 2000s, the focus shifted from diversity to diversity management and inclusion, when it was acknowledged that it is not diversity per se that boosts performance, but the inclusion of all those employees in a diverse workforce. While diversity focuses on organisational demography, inclusion focuses on the removal of obstacles to the full participation and contribution of employees in organisations.

However, the understanding of diversity has not always covered all types of diversity equally. Only in the 1990s and especially the 2000s, did sexual orientation and later gender identity start to be a subject of concern for companies, as were gender, race and ethnicity and disability in the previous decades. The focus was not so much on increasing representation of LGBTI people at senior levels (like it was the case for gender, when advocating more women in boardrooms), as on basic issues of equal treatment of LGBTI employees. Voluntarily enacted sexual orientation and gender identity non-discrimination policies, domestic partner benefits, transition-related health care benefits, and other related policies were proposed and adopted⁵. More recently also the inclusion of intersex people and asexual people was added to the inclusion agenda.

⁴ Giovannini, M. (2004) cit. in Quin, J., Muenjohn, N. & Chhetri, P. (2014). A Review of Diversity Conceptualizations. *Variety, Trends, and a Framework*. *Human Resource Development Review* 13 (2), 133-157.

⁵ Badgett, M., Durso, L., Kastanis, A & Mallory, C. (2013). *The Business Impact of LGBT- Supportive Workplace Policies*. Los Angeles: The Williams Institute.

According to a Human Rights Campaign survey in 2014, as a result of this commitment to diversity, a strong majority of the Fortune 500 companies had workplace protections on the basis of sexual orientation (91% of companies) and gender identity (61%). This was a significant increase on the levels in 2002 of 61% and 3%.⁶

1.3 Beyond 'don't ask don't tell': why disclosure at work is important

Despite the improvement in policies, a survey conducted by the Human Rights Campaign on LGBTI workers in 2013 showed that there still was much more to be achieved: 28% of LGBTI employees did not tell anyone at work about their sexual orientation or gender identity, and 23% told only a limited number of people⁷. Similar data are found in the first EU-wide survey of the Fundamental Rights Agency on LGBTI discrimination. On average, one third (33%) of respondents had "never" been open about being LGBT at work in the past five years, and 23% had been so "rarely". Higher non-disclosure rates were found in transgender and bisexual employees. Seven in 10 employed transgender and bisexual respondents had never or rarely been open about being LGBT at work in the five years before the survey.⁸

Disclosure at work is a fundamental issue when dealing with LGBTI inclusion in workplaces. Even if the organisation formally adopts a non-discrimination policy, the fact that LGBTI people do not feel comfortable with coming out is the sign that something goes wrong. Sometimes concealment has been encouraged by management with the justification that sexual preferences should stay outside of the workplace ('Don't ask, don't tell'). But as some scholars have stressed, in the workplaces.

'Displays of heterosexuality abound: pregnant women, spousal benefits, employees on, parental leave, kids at company picnics, and wedding showers for co-workers are all tangible signs of many workers' underlying heterosexual orientation'.⁹

It is thus not true that heterosexual people conceal their sexual preferences, while homosexual people have for long time been expected to do so.¹⁰ As a side effect, for companies, there is the impossibility to really reach out to the target group they pretend to accommodate with their policies. They do not even know how large it is. This is not only true for companies but also for society in general. It is always difficult to establish how many LGBTI people there are in a company or country, and what share in the population and workforce they represent¹¹. This is also because data are based on surveys, which imply that respondents clearly disclose their LGBTI status.

⁶ Fidas, D. & Cooper, L. (2014). The Cost of the Closet and Rewards of Inclusion, Why the Workplace Environment for LGBTI People Matters to Employers. Washington, DC: Human Rights Campaign Foundation.

⁷ Ibidem,

⁸ Ibidem.

⁹ Badgett, M., Money, Myths, and Change. The Economic Lives of Lesbians and Gay Men. Chicago and London, the University of Chicago Press, 2001, p. 52.

¹⁰ Ibidem.

¹¹ The proportion of adults who identified as LGB/T in the United States, for instance, varied across the surveys from 2.2% in the NHIS to 4.0% in the Gallup data (Gates, G.J. (2014), LGBTI Demographics: Comparisons among population-based surveys, The Williams Institute, October 2014.

The reason why LGBTI employees do not disclose is that they can clearly perceive discrimination around them. This may even lead them to leave the job. Studies have demonstrated that LGBTI people tend to leave their job, or not to accept job offers, at workplaces where they feel discriminated against, or where they expect they would be discriminated against. In the Human Rights Campaign study, 9% of surveyed LGBTI employees had left a job because they felt the environment was not accepting of their sexual orientation or gender identity, whilst 26% stayed in a job because the environment was accepting¹². In another study, 39.8% of LGBTI people who were out at work (compared to 23.2% who were not) declared they would not leave the job in the future.¹³

Also in Europe LGBTI workers clearly experience discrimination in the workplace. According to the European Union Agency for Fundamental Rights LGBTI survey¹⁴ in the area of employment, 13% of respondents felt personally discriminated against because of being LGBTI when looking for a job during the previous 12 months. Gay (12%) and lesbian (12%) respondents were slightly more likely than bisexual men (9%) and bisexual women (6%) to have felt discriminated against. This figure rose to almost one in three (30%) of the transgender respondents. Of the respondents to the survey in a job, 19% experienced discrimination in the workplace, with lesbian women slightly more often than gay men (20% vs.19%) to experience discrimination. Again, more transgender persons reported that they had felt personally discriminated against (23%).

1.4 Good for people, good for the business

While compliance with antidiscrimination legislation is an obligation, companies can benefit from the business case of LGBTI inclusion. A stream of thought has started to gain recognition in the business world, arguing that diversity and inclusion policies have a number of advantages for the financial bottom line. A number of scholars have tried to verify which of such claims are also supported by evidence. A systematic review of studies on the subject¹⁵ arrived to the following conclusions:

- "Having LGBT-supportive policies in the workplace is associated with reduced incidence of discrimination, and less discrimination is associated with better psychological health and increased job satisfaction among LGBTI employees;
- A supportive workplace climate – which includes both LGB-supportive policies and more broad support from co-workers and supervisory staff – is associated with a greater likelihood that LGB employees will feel comfortable disclosing their sexual orientation at work. In turn, increased disclosure of sexual orientation is related to improved psychological health outcomes among LGB employees;
- LGBTI employees report more satisfaction with their jobs when covered by LGBT-supportive policies and working in positive climates;

¹² Fidas, D. & Cooper, L. (2014). *The Cost of the Closet and Rewards of Inclusion, Why the Workplace Environment for LGBTI People Matters to Employers*. Washington, DC: Human Rights Campaign Foundation.

¹³ Out Now (2015) 'LGBTI Diversity: Show Me the Business Case', LGBTI 2020 Study, pp. 49. Utrecht, Netherlands: Out Now.

¹⁴ European Union Agency for Fundamental Rights. (2014). *EU LGBTI survey – European Union lesbian, gay, bisexual and transgender survey: Main results*. Accessed June 2016 at http://fra.europa.eu/sites/default/files/fra-eu-lgbt-survey-main-results_tk3113640enc_1.pdf

¹⁵ Badgett, M., Durso, L., Kastanis, A & Mallory, C. (2013). *The Business Impact of LGBT-Supportive Workplace Policies*. Los Angeles: The Williams Institute.

- The presence of LGBT-supportive policies and workplace environments are associated with improved relationships among LGBTI employees and their co-workers and supervisors. In addition, LGBTI employees are more engaged in the workplace, are more likely to go above-and-beyond their job description to contribute to the work environment, and report greater commitment to their jobs;
- Although there may be initial costs to enacting LGBT-supportive policies, such as extending health benefits to same-sex partners of LGBTI employees, costs are likely negligible and could be offset by cost savings in other areas. Healthier, more committed LGBTI employees are likely to make greater contributions to the workplace;
- Among consumers and job-seekers who value LGBT-inclusive diversity practices, businesses with LGBT-supportive policies may be seen as better companies from which to buy products or for whom to work, thereby increasing their customer base and pool of prospective employees".¹⁶

Some studies have aimed to quantify the gains and positive financial effects of adopting LGBTI-friendly policies. They focus on two aspects: financial savings on personnel costs, and positive effects on stock prices. Regarding savings on personnel costs, a survey by OutNow¹⁷ in Australia, Brazil, Canada, France, Germany, India, Italy, Mexico, UK and US reveals that among LGBTI people who are out at work there are 16.6% fewer people who are thinking to leave the job in the near future than among those that are not 'out'. This is called the "retention dividend". On this basis, and taking into account national parameter for recruitment costs, it was calculated how much money could be saved by companies if LGBTI employees were all 'out'. For instance, in France, the staff retention dividend is 22% and the total national savings would be of \$2.76 billion. In Italy, where the staff retention dividend is 6%, potential savings of \$810 million could be realised. In the UK, where the staff retention dividend is 10% the potential savings are estimated as \$1.02 billion.

Other studies have demonstrated a positive relationship between the adoption of LGBTI inclusive policies (for instance, same-sex domestic partner benefits) and the value of company shares in the stock market. For instance, a study on 258 publicly traded firms in 2002-2006 in the US found that the stock prices of companies with more progressive LGBTI non-discrimination policies – as measured by their score on the Corporate Equality Index - outperformed otherwise equivalent firms in the same industry¹⁸. Another study found that LGBT-friendly workplace policies are at worst value-neutral, and firms' stock value is not penalised for supporting LGBTI workforce diversity.¹⁹

One more recent example is a 2016 Credit Suisse study²⁰ which found an association between the presence of LGBTI people in senior roles, and company stock market performance. The bank took 270 companies with openly LGBTI staff as leaders or senior managers, and compared their performance to a stock index tracking North America, Europe and Australia. Credit Suisse found that the

¹⁶ Badgett, M., Durso, L., Kastanis, A & Mallory, C. (2013). *The Business Impact of LGBT-Supportive Workplace Policies*. Los Angeles: The Williams Institute.

¹⁷ Out Now (2015) 'LGBTI Diversity: Show Me the Business Case.', *LGBTI 2020 Study*, pp. 49. Utrecht, Netherlands: Out Now.

¹⁸ Wang, P. & Schwarz, J. (2010). *Stock Price Reactions to GLBT Non-discrimination Policies*. *Human Resource Management*, 49 (2), 195– 216.

¹⁹ Johnston, D & Malina, M. (2008). *Managing Sexual Orientation Diversity. The Impact on Firm Value*. *Group Organization Management*, 33 (5).

²⁰ Credit Suisse (2016). *Credit Suisse ESG Research*. Accessed June 2016 at <http://www.slideshare.net/creditsuisse/lgbt-the-value-of-diversity>.

LGBTI-led companies had outperformed the other index companies by 3% annually since 2010. Nearly 60% of the LGBTI companies Credit Suisse tracked come from one of three sectors: information technology, financials and consumer staples. This statistical association does not allow establish any causality between LGBTI leadership and performance; however it shows that that a number of inclusive companies are also strong on the stock market.

2 Drivers, obstacles and success factors

2.1 The implementation challenge

Before describing examples of good practices for LGBTI inclusion we found in our researched companies, we discuss the different factors that prompt organisations to start working on LGBTI inclusion. We continue the chapter with a brief exploration of the ways in which companies get to know the LGBTI target group, which is a first essential step on the way towards effective inclusion. Then we address the typical barriers and success factors that are encountered in implementation.

2.2 Drivers and motivations

For some companies an important motivator is an explicit awareness at the executive level of the popular, research-backed evidence that diversity and inclusion policies have advantages for businesses. In other cases there are different factors at the root of inclusion initiatives, more related to the initiative of particular people and groups.

2.2.1 Bottom up initiatives

In some case studies employees are at the forefront of becoming active in the field of LGBTI inclusion. In many companies the inclusion policies started with the bottom up establishment of a LGBTI employee network, for example at KPMG and at Aegon. In other cases it was senior staff members who have been already engaged in equality matters on different grounds – for instance gender equality – who initiated a new stream of activity. This was for instance the case at Cardiff University, Slovenska sporitel'na (part of Erste Group) and PWC.

Sometimes, bottom-up initiatives take the form of entrepreneurial undertaking aimed at meeting the specific needs of LGBTI people. These are not workplace measures but further demonstrate the power of the independent initiative of LGBTI professionals. For instance the Queer Altern project in Switzerland and the Queerbau project in Austria were set up by organisations working on housing projects especially suited for LGBTI people and their allies, or the Vivo Friendly undertaking started from the need for safe and friendly house-sharing opportunities.

Sometimes it is the need to address one individual case that triggers a wider response - for instance, when in 2005 an employee contacted the SAP Health Services department to inform them that she planned transition. The experience of guiding and assisting this transgender employee evolved into the creation of a Health & Diversity office at SAP headquarters and the drafting of guidelines.

2.2.2 Top down initiatives

In other cases the role of the top management in deciding that the company must pay attention to LGBTI inclusion is crucial. The reasons for doing this vary.

In some instances companies are pressured by negative public relation experiences. Barilla for example, a food production company of pasta and ready-made sauces, came under criticism in September 2013 after a statement by the company's chairman. During a radio interview Guido Barilla said that his company would not feature gay families in advertisements for his products as for Barilla the concept of the sacred family remained one of the basic values of the company. He added that this was not out of a lack of respect for homosexuals, who have the right to do what they want without bothering others, but he just did not see things the way homosexuals do. He moreover added that the family Barilla adhered to a classic family concept and consumers that did not like the pasta or the message were welcome to direct themselves to another brand. The interview provoked a storm of negative reactions, and a boycott of Barilla products by the LGBTI community and its allies. This experience triggered a strong reaction in the company. The management needed to decide whether this was simply a PR issue that needed to be handled or an indication that there were deeper issues to be addressed in the company. They decided for the latter. Making diversity and inclusion a business priority was thus a logical next step for the company.

In other cases it is more unrelated outside events that trigger action. For instance for ING diversity and inclusion became very relevant after the financial crisis when the bank, like other financial institutions, suffered reputational and integrity damage. Ethics and integrity became even more important values, ING wanted to be seen as a 'good' bank and emphasizing inclusion and diversity appeared a good way to do that.

A number of companies started paying attention to LGBTI inclusion specifically because they adopted a business case that showed that inclusion had clear advantages such as: happier, confident employees who are more productive and less likely to resign; a diverse workforce which broadens business perspectives and fosters creativity and innovation; a workforce that reflects the make-up of society and thereby being able to appeal to a broad range of potential employees and customers; and, a better reputation for the company which also increases its attractiveness to employees, customers and suppliers. These beliefs are often backed by the awareness of insights from studies and publications. However, very rarely specific financial calculations are made at the company level. PWC is one of those exceptions. The business case produced by the global organisation focused on inclusion in general and looked at the client perspective, employee perspective and intake perspective. Statistics were used to disclose where too little was invested in the target groups, and then understand what could be achieved. Unfortunately the statistics and results could not be made available for this study.

Furthermore, a strong role of the human resources department is often involved in initiatives that involve management support. For instance, at Cisco the human resources department was engaged to start a formal Employee Resource Group (ERG) with visibility and leadership structure.

Productivity gains are often emphasized in top-down approaches. At Accenture there was a pragmatic consideration by senior executives that employees who are 'out' spend less time hiding who they really are, and have more energy to be productive employees, and this was the main reason in 2004 to put inclusion and diversity on the agenda. Another common motivation is that diverse teams perform better. Furthermore, there is the aim to increase attractiveness to new talent (a motivation shared by Accenture, IBM and KPN for example). Finally, the wish of companies to reflect society so that customers and employees can relate to the brand is often a driver.

For some companies potential reputation gains are a strong motivator to become involved in LGBTI inclusive activities. This was the case for Daimler and Dow for instance. Other companies, rather than the expected business improvements, are moved by social responsibility type reasons. PostNL, the premier provider of postal and parcel services in the Netherlands, aimed to be a good employer, to create a safe workplace for all employees, and to be an example for other employers. A socially oriented motivation, and the wish to confront negative expressions against homosexuality, was also the basis of the commitment of other companies, for instance the communication campaign launched by Respect, a Slovak communication agencies, to respond to aggressive tones of extremist parties against LGBT people in 2014.

2.3 Knowledge to get started

A key challenge when assessing the business case for LGBTI inclusion, and when shaping company policies, is that many LGBTI people, due to fear of discrimination, do not feel safe to be 'out' at work and to express their needs and wishes. In order to gain a better picture of this target group companies have several options like hire external expertise from LGBTI world, joining benchmarking initiatives and conduct internal research to at least know the number of their LGBTI employees, for instance by including a "sexual orientation" variable in their employee satisfaction surveys or in their administrative records (most often as a voluntary and optional question).

2.3.1 Hiring external expertise

To build knowledge about the target group a company can also hire external advisors. Barilla for instance recruited three external advisors on its Diversity and Inclusion board²¹ when it was established in November 2013. Each advisor is specialised in a particular diversity area. KPN hired a marketing agency for their participation at the Amsterdam Gay Pride Canal Parade. The agency's assignment was to find a way to communicate inclusion to employees and consumers and to involve internet technology, resulting in the KPN Pridestream.

2.3.2 Joining company networks and benchmarking initiatives

A significant sign of the interest by the business world for diversity and inclusion is the growing number of benchmarking initiatives. Starting from large-sized companies in the United States, there has been a significant development of instruments and tools aimed at assessing the inclusiveness of workplaces for LGBTI people. Adopted on a voluntary basis, these tools allow companies to evaluate and improve their performance in terms of creating LGBTI inclusive workplaces. The first benchmarking initiatives started in the USA. The Human Rights Campaign Foundation's Corporate Equality Index²² is the oldest (since 2002) benchmarking tool for corporate policies and practices pertinent to lesbian, gay, bisexual and transgender employees, and is applied to Fortune 500 companies annually. The CEI covers: equal employment opportunity policies

²¹ See section 4.4.1 above.

²² Human Rights Campaign Foundation (2016). Corporate Equality Index 2016: Rating American Workplaces on Lesbian, Gay, Bisexual and Transgender Equality. Accessed June 2016 at <http://www.hrc.org/campaigns/corporate-equality-index>.

including sexual orientation and gender identity (from this year extended to contractor/vendor standards); equivalent spousal and partner benefits; transgender-inclusive health insurance coverage; organisational LGBTI competency (including training, monitoring, LGBTI inclusion in senior management

More recently, similar initiatives have been developed in Europe. One of these is the Workplace Pride Global Benchmark²³ developed between 2012 and 2014 with the support of the Dutch Ministry of Education, Culture and Science and Workplace Pride member companies. The benchmark was launched at the Workplace Pride International Conference. The Global Benchmark gives participating employers an overview of their organisations' standing against the 100% idealised situation as determined by peer-based employers and the LGBTI community. Organisations do not have to be a member of Workplace Pride to take part in the Global Benchmark survey. The measured areas are: policy and communication; employee networks; workplace awareness; support and benefits; inclusion and engagement; expertise and monitoring; and, business and supplier engagement. The Benchmark not only measures the effectiveness of the international LGBTI policies and practices of participating organisations, but also identifies possible improvements to policies and practices. Every year Workplace Pride highlights the top scoring organisations along with their best practices and awards them a "workplace pride global benchmark endorsement".

A more recent example in an EU Member State, Italy, is The Parks LGBTI diversity Index²⁴. Since 2013 it was the first benchmarking instrument for LGBTI inclusion adopted in the country. It is applied on the members of Parks Liberi e Uguali, a network of companies who wish to commit to LGBTI inclusion. By means of a questionnaire the Index annually assesses company activities aimed at creating an inclusive and respectful working environment in the areas of policies, benefits and leave, organisational competencies development, and external engagement. Besides Workplace Pride and Parks, other networks of companies or LGBTI professionals promoting different forms of quantitative or qualitative benchmarking and good practice exchange in Europe are: East meets West, Edge, Stonewall, L'Autre Cercle, PrOut at Work.

2.3.3 Conducting employee surveys

One way for companies to gain better knowledge of their LGBTI employees is using annual staff surveys. PWC every year carries out an employee satisfaction survey. In 2016 they included a question about sexual orientation in order to assess how satisfied the LGB group was compared to the heterosexual group, and on what aspects it differed in opinions. The intention is to replicate the analysis conducted in the past year on differences in for example satisfaction with payment, feeling safe to express one's opinion, equal opportunities etc. The company did not ask about gender identity though, and in this first year only a small number of employees answered this question. Consequently, the insights on the size of the LGBTI employee population are still mainly inferred by the participation in the LGBTI network: "We don't have set targets for our activities", states the PWC interviewee, "Our goal is just to spread the message that we are an inclusive organisation and that everyone is equal and can be themselves." The results of the employee survey are reported back to every business unit and taken very seriously. The lessons learned are discussed in order to decide which

²³ Workplace Pride (2016). Global Benchmark Survey: A tool to measure LGBTI workplace inclusion. Accessed 2016 at <http://benchmark.workplacepride.org/about-global-benchmark/>.

²⁴ Parks – Liberi e Uguali (2016). LGBTI Diversity Index. Accessed June 2016 at <http://www.parksdiversity.eu/lgbt-diversity-index/>.

improvements to make in the following years. This initiative is not unique in its kind. PostNL has planned to include questions on LGBTI in the 2016 employee satisfaction survey for the first time. Also Barilla gauges its progress in all its markets via an annual diversity and inclusion survey that covers various diversity and inclusion grounds.

2.3.4 Monitoring employee data

A few organisations monitor the diversity of their workforce also on sexual orientation. At Cardiff University, monitoring data on the diversity profile of both students and staff were identified as part of the information which should be collected to support the Strategic Equality Plan. Although much of this information was already recorded, an initial gap analysis, undertaken at the development stage of the Strategic Equality Plan, identified some areas which needed to be addressed. In particular the exercise identified that the University did not collect information on the protected characteristics of religion or belief and sexual orientation for students. This resulted in additional monitoring questions being built into the enrolment of students for the academic year 2013/14. From the results of the monitoring, it appears that:

- University undergraduate students have higher disclosure rates than postgraduate students with over 80% of undergraduate students providing a response to this voluntary question;
- 3.06% of Undergraduate students identified as LGB and 1.06% as 'other';
- 2.51% of postgraduate students identified as LGB and 1.25% as 'other'.

The high share of students who disclose their sexual orientation is indicative of the open climate that is perceived at Cardiff University.

Questions on the protected characteristics of staff have been built into the Cardiff e-recruitment system and the HR Management Information System. Staff/employment data reports are produced on an annual basis. The interviewee emphasised:

"We know that some of our students made the choice to come to Cardiff because of what we do from the point of LGBTI inclusion. And there are also examples of staff that expressed appreciation for the open discussion and support of LGBTI issues by senior management in the university".

Sometimes, privacy protection is a challenge for those organisations willing to monitor the workforce diversity profile. IBM Canada found a solution: the LGBTI self-identification indicator is managed exclusively at the Global Workforce Diversity level so that LGBTI information is not viewable in the country office by the direct managers of the employees. Access is restricted to Global Workforce Diversity staff so that they can produce summary reports and e-mail distributions for specific programs with the employee's permission. LGBTI self-identification data are encrypted so that database administrators are not able to see the information yet are able to perform necessary database maintenance services. The policy has proven its effect as 10% of the employees indicated that they are a member of the LGBTI community.

2.4 Barriers and success factors

The timing of companies to start focusing on LGBTI inclusion and their motivations and activities vary, as are their company profiles, and they all influence the implementation of activities and the barriers and success factors.

2.4.1 Barriers and hesitations

In many cases the internal and external reactions to the companies starting to focus on LGBTI diversity and inclusion are positive and supportive, and the start-up phase goes rather smoothly. Occasionally companies experience less positive reactions or questions regarding the necessity of the proposed initiatives. At KPMG UK for example the establishment of the LGBTI network led to mixed reactions. Some people were not sure of the point or need for it or could not see the relevance to the business. Sometimes the scepticism comes especially from middle management. At PostNL for instance, the topic was new for many managers and since they did not know of any problems they wondered why PostNL should put the issue on the agenda. Also at Cardiff University in the beginning there were some staff members who were wondering why the University felt it was necessary to promote LGBTI inclusion activities. These reactions were also heard from people outside the university when the rainbow flag was hanging from the main building for a whole month in connection with a LGBTI equality awareness event. Additionally, the LGBT History Month held in February, with 2016's theme "Religion, Belief and Philosophy: A Leap of Faith" instigated some less favourable reactions. In particular, for some people at the University it was challenging to see the topic of religion and sexual orientation combined.

In the case of negative reactions, a prompt and clear response often helps clear out the way for further initiatives. Such a response was adopted for example at Cardiff University when someone from the staff heard negative comments being made by a student in a learning session. The member of staff made clear to the group that this behaviour was unacceptable and contacted the staff network. The network had a conversation with the staff member and his line manager. The line manager reinforced the message and contacted the academic school. The school in turn communicated to the entire year group that there would be serious consequences should this behaviour repeat itself. At PWC Netherlands an incident occurred when a poster was hung with the message "Come out of the elevator", referring to coming out of the closet. It was a call to all LGB people that it was okay for them to disclose at PWC. Some drawings were made onto the poster. This incident was taken very seriously by the board of management and the message was spread that such behaviour was absolutely not acceptable. These examples show that alignment and having all company bodies speaking with one voice helps transforming incidents in learning occasions.

2.4.2 Elements for success

There has been debate about the most fruitful approach to diversity management, of either committing to regulation or voluntarism. Supporters of the first approach argue that without regulation and sanctions, employers cannot be trusted to prioritise equality and diversity issues over other business concerns. Supporters of the second believe that rules and regulations lead to a

compliance culture which discourages taking action²⁵. An analysis of good practices in diversity management suggests that the best approach to successful diversity and inclusion management seems to be somewhere in the middle²⁶. Linking diversity to performance, committing human and fiscal resources to the diversity agenda, and enclosing diversity in a company strategic plan, are some of the often cited as being crucial elements.

Almost without exception the case study companies indicated that management support is essential for successfully implementing diversity and inclusion measures. The Barilla interviewee stated that working on improving diversity and inclusion is much easier when backed by top management. For their success it was most important that the CEO and chairman openly stated: "this needs to be done". Likewise, at Accenture, senior management strengthened the message and gave the cause credibility.

Also the initiatives at Cardiff University were openly supported by senior management. The Vice Chancellor was the first member to join the 'straight ally' programme of the University and he has a 'Friend of Enfys' (a network for all staff who identify as LGBTI) sign on his door to show every visitor his commitment to inclusion. Management members have also spoken at national and international events with a LGBTI focus. "You need to work towards a cultural change and you can't make that happen without management support and an engaged staff. Policies and procedures are just a framework. You risk them to be just a piece of paper when they are not properly backed", explained our interviewee.

A number of reasons why senior management support is crucial emerged quite clearly at KPMG. Senior management can back what the network is doing, allocate formal and informal budget for initiatives, and have access to high-ranking key sponsors. Another success factor mentioned by companies is the availability of employees who have experience and knowledge about the issue. For SAP, besides having management openly supporting the case, the possibility to draw on expertise from within the company was important. In other cases, as mentioned before, external expertise was crucial.

The experience of PostNL highlighted three other success factors: an enthusiastic internal LGBTI network with an enthusiastic board; including the implementation of LGBTI equality policies in the work of the corporate social responsibility and human resources departments; and, an individualised approach to middle managers aimed at stimulating, supporting and helping them to take up the issue.

Specific success factors can be identified for one of the most common LGBTI-focused diversity and inclusion initiatives: the establishment of LGBTI employee networks (see chapter 3). A sense of purpose and a learning attitude were important for the KPMG network: "You should have clear objective and direction for your network. Running activities without such direction makes it harder to control what you are doing, with whom and against which costs. This will have a negative influence on the durability of the network and activities. Networks needs to create a legacy by building up knowledge and experience", explained our interviewee. Monitoring, seeking feedback and understanding what people in

25 Klarsfeld, A., Ng, E. & Tatli, A. (2012). 'Social regulation and diversity management: A comparative study of France, Canada and the UK. *European Journal of Industrial Relations* 18 (4), 309-327.

26 Kreitz, P. (2007). Best practices for managing organizational diversity. *The Journal of Academic Librarianship*, 34(2), 101-120.

the organisation want and how they can contribute is also essential for successful networking.

3 Internal networks of LGBTI employees and straight allies

3.1 The power of employee networks

As presented in the previous chapter, the development of LGBTI inclusive policies and measures is often the result of bottom-up initiatives which start from some form of internal networking. Even when they are rolled out top-down, the role of networks is very important for the effective implementation of these initiatives. In this chapter, and based on the case studies, we present some of the forms in which this type of networking is promoted.

In all workplaces employees are normally part of various formal and informal structures where they interact with each other. They also intend to reach out to others they can identify with and who have similar interests and characteristics. Within many companies, employee groups were initiated to express the needs of employees to feel united and for example jointly practice and enjoy sports, reading or cooking. In the 1960s the need for employees to connect with like-minded individuals became also of interest to the employers. For business reasons many companies were seeking to improve diversity and inclusion in their workforce. Companies realised that network groups could support specific employees in addressing their issues and their endeavours to attain an inclusive, safe workplace²⁷. Next to activity-based groups, groups have started to emerge focusing on specific personal characteristics such as race, age or disability.

Employee resource groups (ERG) (or affinity groups or employee networks) are currently common practice for many companies. In a 2011 report it was estimated that around 90% of the companies in the American Fortune 500 list had employee networks and approximately 8% of the total global employee population was a member of one of such networks²⁸. Common networks are those focussing on women, cultural minorities, people with disabilities, working parents, single parents and LGBTI people. Catalyst's defines²⁹ employee resource groups as follows:

"Employee Resource Groups (ERGs) are voluntary, employee-led groups that serve as a resource for members and organizations by fostering a diverse, inclusive workplace aligned with organizational mission, values, goals, business practices, and objectives. Other benefits include the development of future leaders, increased employee engagement, and expanded marketplace reach."

Over the last 30 years the number of employee networks has grown, even during recession times, and their focus has shifted from supporting diversity and inclusion to a broader and stronger emphasis on the business. The activities of employee networks range from providing support to members by organising mentoring programmes, lobbying for the adoption of policies fostering diversity and inclusion, to organising awareness raising activities.

27 Welbourne, T.M., Rolf, S. & Schlachter, S. (2015). Employee Resource Groups. An Introduction, Review and Research Agenda. Academy of Management Annual Meeting Proceedings (1).

28 Casey, J (2015). Employee Resource Groups: A Strategic Business Resource for Today's Workplace. Boston College Center for Work & Family: Executive Briefing Series (n.p.). Chestnut Hill.

29 Catalyst (2016). ERGs (Employee Resource Groups). Accessed June 2016 at <http://www.catalyst.org/knowledge/topics/ergs-employee-resource-groups>.

According to Casey, employee networks can nowadays be perceived as: “[..] strategic resources that enhance business outcomes”³⁰. They do so because they involve employees in recruitment and talent management activities. They also: offer leadership development and mentoring opportunities; capitalize on the knowledge of diverse employees to create consumer sensitive branding and product development; create an engaged and inclusive work environment; and, help promote the organisation as an employer of choice and community partner.

In most organisations employee networks started as bottom-up initiatives and the networks are run by employees and supported by management. Budgets tend to vary greatly. Estimations range from \$150 to \$7,023 for every 100 members and a yearly average of \$15,000.³¹

3.2 LGBTI employee resource groups

LGBTI employee networks are a subset of employee resource groups. In many companies that we examined as a case study, the employee LGBTI networks were the centre-point of LGBTI-related activities. In some instances the (informal) establishment of the employee network was the first step of working towards inclusion of the target group. In other instances the network became the executive body of the chosen initiatives.

3.2.1 Socialization and mutual help

Some of these resource groups started with a strong mutual help focus and high levels of engagement in the LGBTI rights movement. Hewlett Packard is known for being the first company having established an LGBTI employee resource group in 1978. This network was initially formed for socializing and exchanging advice. In the mid-1980s, during the rise of the LGBTI rights movement, it became more politically focused. The political attention was not directed to internal company issues but to the broader external society. Groups participated in prides and sponsored organisations that advocated LGBTI rights. In the mid-1990s the political focus shifted also to internal company policies, and the main issue became the quest for domestic partner benefits. The motivations for this aspiration were both straightforward employee interest and achieving recognition and legitimacy. The LGBTI groups that fought for equal benefits were frontrunners, and the largest numbers of resource groups in companies were started after domestic partner benefits were offered on a large scale³².

Most of our case study companies have LGBTI employee networks. For example: Pride@SAP, which started in 2001 as a grass roots employee movement in Germany, is now completely integrated into the business and has over 6,000 members worldwide with chapters in many countries. In Germany Pride@SAP is founding member of PrOut at Work. They hosted a workshop for “Unicorns in Tech” in the SAP Innovation centre in Potsdam, participated as keynote speakers in the #unit festival, and joined the Pride Parades in Berlin, Frankfurt and Mannheim. In the UK the network is a member of Stonewall and participated in

30 Casey, J (2015). Employee Resource Groups: A Strategic Business Resource for Today’s Workplace. Boston College Center for Work & Family: Executive Briefing Series (n.p.). Chestnut Hill.

31 Ibid.

32 Biscoe, F. & Safford, S. (2010). Employee Affinity Groups: Their Evolution from Social Movement Vehicles to Employer Strategies. *Perspectives on work*, 14 (1), 42-45.

the London Pride. In Spain, the network hosted keynote speeches and workshops at LGBTI Diversity events at the IE Business School. It was recognised as a best practice in the AEQUALIS report on LGBTI Diversity in companies in Spain, drafted with funding from the Regional Government of Madrid. The network provided a keynote-speech at the Congreso EGF about LGBTI Diversity. In Denmark the network hosted the Nordic LGBTI Inclusion Workshop of Q-Factor. In Italy it sponsored the Milan pride.

3.2.2 Consultative bodies for management

In other cases networks were created as a deliberate company project. An example of LGBTI network encouraged by executive management is PostNL. Around 2005 the former director of strategy at PostNL was asked by the management to put LGBTI inclusion on the agenda and to set up the PostNL Pride network. PostNL Pride champions the acceptance of LGBTI employees so they will feel respected and be free from discrimination within the organisation. On their PostNL pride website they state: "Employees should be proud of who they are and feel free to express their orientation. This is good for the employee, but also for the company. Being open about yourself to colleagues and your boss really works a lot better". The management wanted the network to be involved in and consulted for every move of the company. The LGBTI network has grown over the past 10 years from 150 to 300 members. The network organises a variety of activities and also participates in the activities of other organisations.

3.2.3 Supporting the implementation of diversity policies

In many companies, employee networks have been established to support the implementation of diversity policies. Daimler has twelve official Employee Resource Groups (ERGs). The exchange of ideas in the different ERGs promotes creativity and innovation at the work place and thereby drives the business success of Daimler. Furthermore, the groups create a context for diversity. That is why the Global Diversity Office supports the ERGs in their work. One of these official networks is GL@D, founded in 2002 by gay, lesbian and transgender employees at Daimler. The main focus of the work of GL@D is to support programs in the area of social counselling, participation in events such as Diversity conferences, the Diversity Day, Impulse Session regarding mentoring and the organization of dialogue events. Moreover, GL@D collects and provides information about Diversity Management and sexual identity issues in internal and external media.

A strong link with the implementation of diversity policies characterises the experience of other networks as well. In 2007 the founding of the LGBTI employee network GLEE was one of the first actions taken by PWC to foster LGBTI inclusion in its Dutch operations. The network has since then been working on creating a work environment where there is equality, respect and tolerance. The network also focusses on informing the PWC organisation and strengthening PWC's presence in the LGBTI community.

LGBTI networks often underpin policies that are deliberately adopted as global by multinational companies. The first step towards LGBTI inclusion at Accenture was the employee network set up in 2004. In their brochure on commitment to the LGBTI community it is stated: "Ensuring an inclusive environment for lesbian, gay, bisexual and transgender (LGBT) employees across the globe is a key and integral part of Accenture's global inclusion and diversity strategy. We are committed to raising awareness and educating our Accenture people about

our LGBTI community, while simultaneously supporting our LGBTI employees worldwide”.³³ Next to the global LGBTI Network Accenture offers a support community for transgender employees. The Accenture network organises activities, training and events and together with the recruitment teams is involved in ensuring that the company has an inclusive recruitment process.

3.2.4 Linking internal and external orientation

The interplay between internal and external, market-oriented and community-oriented initiatives is a key aspect of the working of LGBTI networks in several of our case studies. At PWC the GLEE network organises network events, sponsors LGBTI conferences and gatherings, and participates in the Canal Parade event in Amsterdam. Cardiff University has two networks that have been focusing on supporting LGBTI people since 2006. One is for students and one (Enfys) for all staff. This second network is also open to postgraduate students. The Enfys network also has members not only from Cardiff University but from other Higher Education Institutions which have no support structures in place. Many activities of Enfys are based around dates that are significant for the community, such as the National Coming Out Day, the Bi-visibility Day, the Transgender Day of Remembrance and the LGBTI History Month. For example, they host awareness raising and discussion sessions, and make statements such as hanging the rainbow flag. According to Karen Cooke, Chair of Enfys, the biggest challenge for any network is “building your profile and striking the right balance between challenging the organisation to do better as well as recognising where people are trying really hard to do the right thing. A network is most powerful when it is part of the conversation, not while shouting from the outside”.³⁴

The network at KPMG was employee-driven and quite informal initially. In the starting phase of the network the events were mainly for network members only, and they were often socially focused, such as like going to the pub or having an ice-skating event. From 2012 onwards the network was expanded to include straight allies which also changed the types of activities organised. The network also aimed at engaging with the market place. Over time, the events became much more ambitious. One example is the event in October 2014, in which the straight ally rugby player Ben Cohen, the CEO of Stonewall, and Professor Stephen Hawking came to speak in the presence of about 350 clients/. The network now has three objectives: engage with the market place, clients and potential clients (“Breath in the marketplace”); engage in the work place and colleagues (not only LGBT, but also women, more diversity) (“Breath in the workplace”); and, engage in the community through connections with charities (“Breathe in the community”).

3.3 Straight ally networks

In the Stonewall workplace guide ‘Straight Allies. How they help create gay-friendly workplaces’, straight allies are described as:

33 Accenture (2012). Accenture’s commitment to the LGBTI community: A workplace of equality. Accessed June 2016 at <https://www.accenture.com/nl-nl/Careers/~media/Accenture/Conversion-Assets/Careers/Documents/Local/nl-nl/PDF/Accenture-LGBT-Brochure.pdf>.

34 Anderson, T. (21 April 2015). Cardiff University: Enfys Network, Inclusive Networks. Accessed June 2016 at <http://www.inclusivenetworks.co.uk/cardiff-university-enfys-network/>.

"[...] heterosexual people who believe that lesbian, gay and bisexual people should experience full equality in the workplace. Good straight allies recognise that gay people can perform better if they can be themselves and straight allies use their role within an organisation to create a culture where this can happen. Straight allies might be at the very top of an organisation or a colleague in a team. Either way, they recognise that it's not just the responsibility of gay people to create a workplace culture that is inclusive of everyone. The actions they take can range from being a leader of an organisation that puts equality – including gay equality – at the heart of the" business to being a junior member of staff who challenges homophobic banter amongst colleagues".³⁵

Straight allies are believed to have a significant role to play in creating LGBTI friendly workplaces, especially when they are in management roles. Not only do heterosexual people outnumber the LGBTI community (which makes their support essential), but they are also colleagues that are not part of the LGBTI community itself thus their support is seen as objective and not self-interested. Straight colleagues can be more receptive to messages about LGBTI issues coming from the straight allies.

At PostNL employees who want to support LGBTI colleagues can join the PostNL Pride network. Straight allies are said to be very important, because they can make a huge contribution to creating a culture where bullying or slander will not be tolerated. Accenture also has an LGBTI Ally Program for employees outside of the LGBTI Community. Allies are invited to act as ambassadors for inclusion and raise awareness for LGBTI equality.

Since 2013 the Cardiff University group Friends of Enfys is a straight ally programme. This group is for people across the university who do not identify as LGBTI but want to show their support. The number of members is roughly the same as Enfys. Allies range from the Vice Chancellor, to administrative staff who want to show support to their colleagues, and to heads of academic schools. They are involved and show support to what the Enfys network does. The members, for example, can display a poster in their office saying they are a straight ally.

³⁵ Miles, N. (2011). 'Straight Allies: How they help create gay-friendly workplaces,' Stonewall workplace guides. Accessed, June 2016 at https://www.stonewall.org.uk/sites/default/files/straight_allies.pdf.

4 Company policies and codes of conduct

4.1 Consistency matters

One of the most common starting points for companies to engage in LGBTI inclusion is developing company policies and codes of conduct. The level of formalisation varies from manifestoes, statements and provisions in general strategic plans, to codes of conduct that prohibit discriminatory behaviours. This chapter provides some examples and adds some mechanisms that have been used to put these policy statements into action. Attention is also paid to local adaptation and rolling out in different countries of policies established by multinational corporations – this is currently an important mechanism for spreading good practice, even in more conservative social and cultural contexts. Consistency between general value statements, rules for behaviour and sanctions, and consistency across settings, is important for effective diversity and inclusion policy implementation.

4.2 Stating the policy

As for years the issue of LGBTI rights has been ignored under the pretext that there was no need for explicitly addressing what was considered a private aspect of life, it is important that sexual orientation and gender identity are explicitly mentioned in antidiscrimination policies. Several case study companies included diversity and more specifically LGBTI inclusion in their strategic documents and annual reports, or in specific statements on their website. For instance, KPN's website page on the company's vision on diversity and inclusion states: "Seeing the qualities of all people and recognising and utilising the abilities of all different people. This is how we see diversity and inclusion at KPN. So it's not just about male or female, age or ethnic background. Talent does not care about age, religion or sexual preference. Everyone is welcome at KPN. That goes for our customers and for our employees"³⁶. Furthermore, diversity and equal opportunity is designated as one of the high priority CSR topics³⁷ in KPN's annual report 2015.

Another example is the statement on ING's website:

"Differences in gender, age, background, sexual orientation, physical ability and religious beliefs enable us to solve problems and respond to challenges in different ways. We celebrate these differences, harnessing them to seize new opportunities. They will never form the basis for decisions about who we hire, who we fire, and who we promote".

One of the instruments of IBM to make the company an inclusive place is their Workforce Diversity Policy. One of the statements in that policy is:

"Business activities such as hiring, training, compensation, promotions, transfers, terminations and IBM-sponsored social and recreational activities are conducted without discrimination based on race, colour, religion, sex, gender, gender identity or expression, sexual orientation, national origin, genetics, disability, age or status as a protected veteran

36 KPN (2016). Employee information. Accessed June 2016 at <https://jobs.kpn.com/kpn-als-werkgever/diversiteit-en-inclusie-3198.html>.

37 KPN (2015). Integrated Annual Report 2015 in facts, figures and people. Accessed June 2016 at <http://corporate.kpn.com/jv2015/2015jv/onze-organisatie.htm>.

*under the law. IBM is also committed to fair employment practices regarding citizenship and immigration status”.*³⁸

IBM’s diversity policy explicitly articulates the link between diversity and innovation:

*“IBM’s enduring commitment to diversity is one of the reasons we can credibly say that IBM is one of the world’s leading globally integrated enterprises. We also understand that diversity goes beyond fair hiring practices and protection for all employees. It also includes a focus on how those disparate pieces fit together to create an innovative, integrated whole. We call this approach “inclusion”. While our differences shape who we are as individual IBMers, our shared corporate culture and values remain central to our mutual success. IBMers around the world work in an environment where diversity—including diversity of thought—is the norm, which yields a commitment to creating client innovation in every part of our business.”*³⁹

In some cases, diversity policies are stated in strategic documents. In May 2016 Cardiff University released their Strategic Equality Plan 2016-2020. The legal context and guideline for the Strategic Equality Plan is the Equality Act of 2010 which promotes equality, diversity, dignity and respect as incorporated within Human Rights principles. The plan focusses on nine ‘Protected Characteristics’ of which Sexual Orientation is one. The University foresees the Strategic Equality Plan to support the universities’ efforts to:

*“embed a culture where respect, communication and understanding is fostered and diversity positively valued; understand and address needs of different groups; embed the equality agenda in all our work ensuring that equality and diversity is considered, implemented and assessed with regards to policies, services and decision-making processes; provide an environment where unlawful discrimination, harassment or bullying is not tolerated”.*⁴⁰

4.3 Establishing the rules

The ways in which values and rules are affirmed in organisations can vary.

4.3.1 Diversity manifestos

Sometimes companies chose to produce a specific document to state their commitment to diversity and inclusion. ING for instance produced a diversity manifesto in January 2016. The document highlights the diversity values of the organisation (what ING promises to all employees) and more importantly defines which behaviour ING expects from employees as well as managers. The manifesto builds on the ING Orange Code (comprised of ING Values, formerly

³⁸ IBM Corporation (2016). IBM Workforce Diversity Policy. Accessed June 2016 at http://www-03.ibm.com/employment/us/diverse/equal_opportunity.shtml.

³⁹ IBM Corporation (2016). Overview. Accessed June 2016 at <http://www-03.ibm.com/employment/us/diverse/>.

⁴⁰ Morgan, C & Preece, A. (2016). Cardiff University Strategic Equality Plan 2016-2020, Version 0.4 (Cardiff, 2016). Accessed June 2016 at http://www.cardiff.ac.uk/__data/assets/pdf_file/0011/169238/2016-Strategic-Equality-Plan-v0.4.pdf.

the ING Business Principles, and the ING Behaviours). The advantage of this is to give importance to the issue by isolating from other company policy concerns.

4.3.2 Statements and actions in general strategic plans

Other times statements and related actions are incorporated in the general strategic plan of organisations. In the spring of 2012 the Irish Prison Service for example outlined its principles for dignity and respect in its Strategic Plan for the period 2012-2015: "It is the policy of the Irish Prison Service that all persons will be treated with dignity and respect at all times and this applies to every person, regardless of their role and background, as part of the prison community".⁴¹ Five behaviours were identified by staff to ensure a dignified work environment – Respectful, Supportive, Openness, Competence, Fair and Inclusive. A number of policies were developed creating the foundations and LGBTI inclusion was progressed under this Strategic Action. Support and development of staff to promote these behaviours is identified as a key Strategic Action in the new IPS Corporate Strategy 2016-2018. The advantage of this approach is that diversity and inclusion are really mainstreamed into the general strategy.

4.3.3 Codes of conduct

When the company wishes to be more explicit about expected behaviours, a code of conduct, or better including non-discrimination of LGBTI people in a general code of conduct can be an adequate approach. Several companies have a code of conduct in place specifically mentioning non-discrimination by sexual orientation, Barilla being one of them (see also section 2.2.2). The current code of conduct states:

*"In coherence with its ethical vision, Barilla intends to enhance the value of each person, by respecting physical, cultural and moral integrity and the right to interact and associate with others. Barilla seeks to pay attention to all the needs in people's lives, given that human life inspires all the company's activities. Barilla supports and respects human rights in its activities and in the sphere of its influence, offers equal opportunities for the development of its people, and protects their privacy. Barilla believes that doing the right thing is also good for business and that respecting diversity and promoting inclusion can be a source of competitive advantage, by creating a more engaged work force that makes better decisions based on a superior understanding of the persons who purchase and consume the company's products around the world. Barilla does not tolerate any form of discrimination or exclusion in relation to, amongst other characteristics, age, culture, ethnicity, nationality, religious faith, race, political opinions, family status, pregnancy, veteran status, gender, sexual orientation, gender identity, and/or expression, genetic information, health or disability."*⁴²

Also Dow has a code of conduct where they state: "We provide equal employment opportunities to all employees and applicants regardless of age, race, colour, national origin, sexual orientation, gender, gender identity,

41 Irish Prison Service (2012). Three Year Strategic Plan 2012-2015. Accessed June 2016 at <http://www.irishprisons.ie/images/pdf/strategicplanfinal.pdf>.

42 Barilla Group (2015). Code of Ethics 2015. Accessed June 2016 at <http://www.barillagroup.com/sites/default/files/Code%20of%20Ethics%202015.pdf>.

disability, religion or any other factor protected by law⁴³. Another important integrity code is Daimler's. This code has been negotiated and agreed with the Group Works Council and the Management Representative Committee. It is based on shared values, which apply to its dealings within the company as well as with business partners and customers. Everyone in the company has to sign this document, and with this the company is demanding all employees to act by it. The integrity code states: "Employees must be treated with dignity and respect by all managers at Daimler, regardless of their duties or position within the company, their gender, their religion, the colour of their skin, their origin or sexual orientation. Everyone deserves respect."⁴⁴ The code also applies to all countries, independently of their record on LGBTI rights.

4.4 Putting it into action

4.4.1 Diversity officers and departments

A number of companies are putting their diversity and inclusion policies to action by establishing specific bodies, officers or departments. This helps because without "actors" tasked with an explicit mandate as well as resources policies risk to remain on paper.

Barilla established a Global Diversity and Inclusion Board in November 2013. The Board includes ten employees from throughout the company, who are assisted by three external advisors. Some of the initiatives put in place by the Board were making diversity and inclusion one of the performance review goals for leaders,⁴⁵ and health coverage expanded to same-sex partners and *transgender* people.⁴⁶

Also Cardiff University has an equality unit to work on diversity. Two examples of initiatives implemented by the unit are the mandatory equality and diversity awareness raising and training for all staff, and the incorporation in the Strategic Equality Plan of the legal provision that civil partners are treated the same as married couples on a wide range of legal matters.⁴⁷

4.4.2 Employee benefits and leave rights

A very concrete way of putting in practice policies by giving strong signals to LGBT employees is to provide or extend employee benefits and leave rights, for instance to non-married same-sex couples (especially important in countries where full marriage equality is not granted). Česká Spořitelna offers a leave day not only to employees getting married, but also to those who register as a civil partnership. At Accenture same-sex couples are equally entitled to three days

43 Dow Chemical Company (2010). The Diamond Standard, Living Our Values Every Day: Dow's code of business conduct. Accessed June 2016 at <http://www.dow.com/en-us/investor-relations/codes-of-conduct/code-of-business-conduct>.

44 Daimler (2016). Integrity Code. Common Guiding Principles at Daimler. Our Principles of Behaviour and Guidelines for Ethical Conduct. Accessed June 2016 at <https://www.daimler.com/documents/sustainability/integrity/daimler-integritycode.pdf>.

45 Korn Ferry (2016). On-Demand Broadcast: Barilla's Diversity & Inclusion Journey. Accessed June 2016 at <http://www.kornferry.com/events/barillas-diversity-and-inclusion-journey>.

46 Human Rights Campaign Foundation (2016). Corporate Equality Index 2016: Rating American Workplaces on Lesbian, Gay, Bisexual and Transgender Equality. Accessed June 2016 at <http://www.hrc.org/campaigns/corporate-equality-index>.

47 Morgan, C & Preece, A. (2016). Cardiff University Strategic Equality Plan 2016-2020, Version 0.4 (Cardiff, 2016). Accessed June 2016 at http://www.cardiff.ac.uk/__data/assets/pdf_file/0011/169238/2016-Strategic-Equality-Plan-v0.4.pdf.

leave as heterosexual wedding couples and the same goes for other types of leave. Aegon offers pension benefits to same sex couples in all countries including those where pension rights are not equalised. The consideration of the specific health needs of transgender people is also an important company policy, especially where access to health care is more linked to employment status. For example in the United States (but also in Canada which has a more European-type health system), Accenture offers comprehensive health benefits for transgender employees, including coverage for hormone therapy, mental health counselling and transgender-specific surgeries.

Also some EU-based companies included in this study have extended leave rights to eliminate discrimination by sexual orientation. Cardiff University has a range of flexible leave policies and all benefits are inclusive for all staff and their partners. At ING all human resource processes are diversity neutral. For example, "partner" is used instead of "wife/husband", and the same rules apply to male/female and same sex marriages. In some cases, specific support is given for LGBTI employees, including during transition period, or in the case of a move with a partner to a non-LGBTI friendly country. At the Irish Prison Service policies are in place to implement diversity management. Special leave with pay may be allowed to an officer in the event of the death of a relative or for family reasons in the case of a person in a relationship of domestic dependency, including same sex partners.

4.4.3 Procedures for addressing negative experiences

Companies can have measures in place to increase the inclusion of LGBTI employees, but knowing beforehand how to respond to negative occurrences is equally important. Having a concrete procedure in place to enable employees to express concerns or report experiences, and for the company to rapidly react to negative experiences in the feeling of safety and trust in the company, sends a clear message to everyone about the importance of inclusiveness.

Accenture has a global ethics and compliance team. This team ensures that any violation of the Accenture rules, policies or guidelines can be reported. Each client team or large project has a People Advocate that can be contacted in case issues occur. Lastly, every Accenture employee has a career counsellor who can also help if needed. The HR department can be involved in cases of discrimination. The LGBTI network within Accenture is well known within the company and people reach out to it spontaneously now.

At Aegon, when an employee experiences discriminatory behaviour there is a set procedure to follow including discussing the matter with a manager and/or a confidential advisor. Employees also have the ability to call the Global Ethics Line. Information about the procedure is provided on the corporate intranet site for employees to consult.

If an employee at ING suspects that the Orange Code values or (local) Code of Conduct are breached, they are asked to take action and report this. If they feel unable or uncomfortable doing this, they can make a complaint, anonymous if they wish, to the Reporting Officer, or next higher Reporting Officer up to the level of the Chief Compliance Officer. If, for some reason, they do not feel comfortable reporting a concern through the Reporting Officer's channel, the alternative channel or Ethics Line provides for on-line reporting or the use of a toll-free or local telephone number. The handling of irregularities is done in accordance with standard protocols.

One way of strengthening the effectiveness of policies and codes of conduct is to provide information to employees on the steps that they may take if they believe

that they have been subject to incorrect behaviour. At the Irish Prison Service for example the Dignity at Work Policy is supported by an Employee Assistance Programme providing a wide range of free and confidential support to all staff including management. Especially trained Staff Support Officers are available to listen and to provide information.

4.4.4 Inclusive procurement

A number of companies have developed forms of inclusive procurement by starting programmes which explicitly prioritise suppliers including minorities and other protected categories. Accenture for example has a Supplier Inclusion & Diversity Programme covering 16 countries and focusing on businesses owned by women, ethnic minorities, persons with disabilities, refugees, people geographically remote from labour markets and lesbian, gay, bisexual and transgender (LGBT) persons. In 2015 the company spent 30% of its procurement expenditure on such companies⁴⁸. IBM has a similar supplier diversity program which expands purchasing opportunities to businesses owned and operated by specific groups such as LGBT people. This means that the company seeks out certified LGBT owned businesses as part of their supplier diversity program. Specifically, IBM is a co-founder of the National Gay and Lesbian Chamber of Commerce (NGLCC) in the US that certifies and promotes the development of LGBT-owned suppliers. The company requires the inclusion of diversely owned suppliers in all of their requests for proposals in all geographies in which they operate and LGBT is one of the approved diverse categories. IBM emphasises that a more diverse supplier group leads to new ideas, approaches and solutions that respond to customer needs and is thus of added value to the company with regards to profitability and strategic objectives.⁴⁹

4.5 Global policies, local adaptation

4.5.1 LGBTI workplace inclusion going global

Several good practices examples presented so far come from multinational companies. The diversity and inclusion policies often originated in the country where these companies are headquartered. Policies have then been extended to offices in other countries often through the creation of local diversity offices. Sometimes initiatives have been extended in the same format across all countries and markets. Sometimes local adaptation has been necessary. In a few cases, unfavourable national legislative context has hindered the deployment of global policies. In many cases, though, global employers have provided a safe haven for local LGBTI employees by creating more inclusive environments than those that could have been found with local employers. The adaptation of diversity policies to local and national conditions however represents a challenge for global diversity and inclusion managers.

Sometimes global companies need to find the right balance between keeping diversity and inclusion high on the agenda everywhere and adapting to local conditions. At Barilla, the Chicago-based Chief Diversity Officer started to explore how inclusion policies that are relatively widespread in the United States

48 Accenture, Supplier Diversity % Inclusion Programme: Overview, Accenture 2016.

49 IBM Corporation (2016). Diversity of People. Diversity of thought. A smarter way to innovate every day. Accessed June 2016 at http://www-03.ibm.com/employment/us/diverse/downloads/ibm_diversity_brochure.pdf.

could be rolled out globally. The Chief Diversity Officer explained in the interview:

"I networked with other chief diversity officers in the US, and they kept telling me: 'In the United States, we do everything about gender, LGBT, disabilities, but out of the US we only focus on gender because the society is different, the laws are different, it's too complicated to do other things'. I thought that this was unacceptable. Now I think we have a fairly interesting approach, which is: this is our global policy and we are going to apply it everywhere. And yes, we are going to have to compromise since we cannot do LGBTI equality in Russia, Turkey or Italy the same way you do it in the US, or France, or Sweden, but still we want to have it as a priority everywhere".

The right mix of globally and locally-initiated activities is often the key to successfully performing this adaptation. PWC has an international policy steered by the Global PWC organisation. The idea is that Global PWC develops initiatives that are implemented by the different countries. However, every country has a different policy framework and legislation so the way initiatives are implemented is different for each country. Moreover, every country office is free to develop and implement its own initiatives.

4.5.2 Rolling out ethical codes of conduct prohibiting discrimination worldwide

Daimler formulated their ethical Code of Conduct and in 2003. This was signed by all members of the Board of Management, spread group-wide in 23 languages and published on the intranet and internet webpages of the company. The ethical Code of Conduct explicitly mentions protection against discrimination based on sexual orientation and gender identity. Everyone in the company has to sign this document. It is demanded that all employees comply with it, even in countries where homophobia is more widespread. "Some employees in Dubai, for example, have told us that the workplace feels like an oasis of acceptance and inclusion, compared to society in general. Some employees are out only at work, not outside. This shows how you can build a truly safe and welcoming workplace; who would not want to work there?" comments our Daimler interviewee.

ING is another company that relies on a uniform and global code of conduct to create a safe workplace. "Because everyone within ING, regardless of location, can refer to the manifesto, ING is making it easy to call employees out for discriminatory behaviour. The manifesto intends to make it easier for people in countries where homosexuality is not accepted in society, to come out in the workplace. It should also protect them from bullying, discrimination and harassment." explains our interviewee.

4.5.3 Using socialisation and events to spread messages company-wide

Besides setting rules, 'soft' approaches such as socialisation are often used to roll out globally diversity and inclusion policies. One way companies have utilised to spread the inclusion message across their country subsidiaries is through simple, but highly symbolic social events. For example, Cisco's straight ally recruitment events have taken place in a number of US and European cities. Likewise, socialising activities like employee networks have been expanded across borders. Dow's LGBTI employee network GLAD is active in the US and

Western Europe, especially Belgium, the Netherlands, Germany, Switzerland, France, Turkey and the UK.

SAP actively supports LGBTI activities during the globally recognized LGBTI awareness month in June and encourages the participation of the Pride@SAP chapters around the world during SAP-sponsored initiatives such as People Weeks. In those countries where homosexuality is not socially accepted, executive sponsors and allies often take an active role in leading open discussions. An example is an online conference on the "Importance of Being Yourself" hosted in 2015, which targeted participation by employees from Asia and featured panellists from India and South Korea, among other countries.

4.5.4 Monitoring progress through global inclusion surveys and participating in national benchmarking exercises

Even when different initiatives are carried out locally, local effects of diversity and inclusion policies can be monitored by global level initiatives. Barilla for example gauges its progress in all its markets via its annual diversity and inclusion survey. As explained by our interviewee:

"There are differences between locations but we are very happy to see that in Italy, US, France, Sweden, Greece and Germany, six countries where we have a large proportion of our workforce, when our employees were asked 'Would a LGBTI employee be accepted in your group or team?' from 75 to 85% of respondents answered affirmatively".

For this question there was a lower share of positive answers in Russia and Turkey. Monitoring through the survey enables the company to know what is happening in different markets in order to address issues appropriately.

For global companies wishing to make an impact in all their offices it is important to use the expertise of local partners and these can sometimes provide opportunities for national level benchmarking. Barilla has adapted its approach in each country, and, importantly, has sought the collaboration of local LGBT organisations to make it work. In Italy Barilla has established a partnership with Parks, a non-profit organisation aimed at promoting LGBTI inclusion in the workplace which has developed a benchmarking instrument. In the USA there is a comprehensive LGBTI inclusion programme, which is made easier to implement because benchmarking with other companies is possible.

5 Awareness raising and training

5.1 Culture matters

Establishing a company policy is a first step for achieving LGBTI equality at the workplace. Yet often what matters most, and what influences employee appreciation of their workplace, is the organisational culture. Many LGBTI people chose not to disclose their sexual orientation at work because they are afraid of the consequences in terms of day-to-day discrimination by the management or lack of acceptance by colleagues.

As the interviewee from Cardiff University puts it, LGBTI inclusion requires cultural change: "You are never going to get this kind of cultural change if you haven't got a combination of senior management support, active staff and student engagement. The policies and procedures are the first thing that you do, yet they do not have a massive impact on the culture". This is why a number of companies are engaging with awareness raising and training initiatives aimed at positively impacting the culture of their employees, middle managers and senior leaders. Some of these initiatives are promoted in cooperation between an organisation advocating LGBTI rights at work and the firms that accept to implement them.

The ways in which companies try to induce cultural change include awareness raising campaigns and events, training, and documented guidelines. However, sometimes, a powerful way of raising awareness by a company is by using physical spaces and symbols to affirm the inclusive culture. This can trigger controversy and discussions that, if appropriately guided and addressed, may become a learning moment for managers and employees.

A small but highly symbolic action taken at SAP was labelling three toilets as "gender neutral" at the Walldorf location. This action was, admittedly, not without controversy, but showed the importance of and SAP's commitment to supporting transgender employees. The SAP interviewee noted:

"It is always important to keep talking about the issues. When we introduced our gender neutral bathroom, we had a big discussion around the whole thing to ensure that all understood why as well as the impact on the working area. But we continue to talk to continue to facilitate understanding. Also during our diversity week, we continue to talk, we also continue to participate in and organise activities and events. We don't take it for granted but continue to challenge the status quo and look for improvement".

5.2 Training programmes

Training activities are an important part of shaping the organisational culture. Moreover, they enable a more structural and systematic approach to the sharing of Information, knowledge and awareness of the importance of diversity and inclusion. This is why several companies choose to include this subject in their on-the-job training offer. Initiatives range from inclusion of LGBTI diversity related topics in introductory programmes for new recruits, to specific courses targeting LGBTI professional and unconscious bias training for managers.

5.2.1 Diversity in new recruits introduction programmes

PWC has an introduction programme for new employees, where the company position on LGBTI diversity is explicitly covered, and the LGBTI group is explicitly mentioned. The programme explains this is an important matter to PWC and that the company urges people to be themselves.

Among its many other D&I practices, IBM has an extensive new hire program that introduces new employees to IBM's organisational values, including LGBTI awareness. The goal is to make sure every employee knows they can be out and that bullying is unacceptable. IBM has also a Diversity FAQ document that all new hires need to read. It clearly outlines all the values at IBM regarding diversity and inclusion. In the FAQ file, IBM states:

*"The employees at IBM represent a talented and diverse workforce. Achieving the full potential of this diversity is a business priority that is fundamental to our competitive success. Business activities, such as hiring, training, advancement and retention of employees is conducted without regard to race, colour, religion, gender, gender identity or expression, sexual orientation, national origin, disability or age."*⁵⁰

5.2.2 On-the-job training on disclosure with clients

A sensitive subject to address is whether and how to disclose one's sexual orientation with clients. PWC organised four master classes to help LGBTI professionals in addressing this most difficult step in coming out. The master classes address four topics: "Me, as a professional within PWC (or in private)"; "My work"; "The customer"; "The combination of the previous three". The PWC interviewee explains the reason for this initiative:

"We noticed that even individuals who had been out for years, and who could completely be themselves most of the time, were in doubt when they went to clients, especially new ones, and asked themselves: 'What am I going to do? Am I going to tell them? What is the right moment? Should I tell?'"

Non-disclosure sometimes can be affected by perceptions of LGBTI employees themselves:

"I know of someone within PWC who works at a rather diverse team and although there is no indication that he will not be accepted he is still hesitant. Here preconceptions play a role and that is something we also discuss within the master classes. Often it is not the environment that determines if someone can disclose, but it is the person itself that has certain ideas about that".

The approach is therefore based on self-empowerment and self-awareness by LGBTI individuals. However, it is not just about that. In the fourth master class in particular all the elements are brought together and there is a discussion on what the organisation can do to support the disclosure.

⁵⁰ IBM Canada Ltd. (2007). Frequently Asked Questions. Diversity Drives Innovation, Help Take Diversity to the Next Level. Accessed June 2016 at https://www-03.ibm.com/employment/ca/en/newhire/diversity_faq.pdf.

5.2.3 Leadership training for LGBTI people

Sometimes targeted leadership training initiatives are taken to promote leadership amongst minorities of various kinds. Wells Fargo introduced its Diverse Leaders Programs for Asian & Pacific Islander, Black/African-American, Latino and/or Lesbian/Gay/Bisexual/Transgender leaders. More than 2,000 team members have participated in the three-day programs that allow participants to practice and model leadership skills necessary for success in a diverse business environment. They gain a working knowledge of culturally relevant leadership styles and skills, become conscious of what they already do well and raise their awareness of opportunities for further personal development.

The Chairman, President and CEO John Stumpf clearly explains why diversity and inclusion has been such a priority for Wells Fargo:

"It's a business imperative that allows the company to tap creativity and innovation that comes from multiple perspectives. It helps the company better understand its customers, see business opportunities in new ways and succeed in serving the needs of customers".⁵¹

5.2.4 Training for managers and employees to overcome conscious and unconscious bias

Unconscious bias training is a tool that companies who want to create an inclusive workplace utilise, in order to make managers (but also employees at large) aware of the bias and prejudices that employees often possess, without being aware of it. It is based on the body of research which demonstrated how most people have unconscious prejudices that affect their decisions, for instance when deciding about recruitment. Such bias can be measured through implicit association bias tests. Taking the test is part of becoming aware of the bias that inevitably everyone has. This type of training is for instance given at Daimler amongst our interviewed companies. Various versions of the training are provided adapting the language to different audiences.

In recent years, increasing attention is provided to training of managers on prejudices against LGBTI people. This still most often requires external support by LGBTI organisations and consultancies. In the Netherlands, Workplace Pride has developed LGBTI inclusion training for companies and managers and Arcadis is the first organisation where the training has been implemented.

The Irish Prison Service appointed diversity champions at management level in each of the 14 prisons and places of detention in Ireland. The Irish Prison Services is one of the companies which have benefitted from support by GLEN, the Gay and Lesbian Equality Network of Ireland, by enrolling in its Diversity Champions programme. One of the delivered activities is Diversity and Awareness Business Training. This training supports employees in reflecting on how issues for LGBTI staff, clients and/or customers arise in their area of work. Tailored to the employee level, training supports staff connects the business case for LGBTI inclusion to their work. For example employees are asked to consider how they engage with a trans employee who is transitioning (does unconscious bias play a role in a promotion decision?) and how they respond to anti-LGBTI behaviour in the workplace. Recruiters are questioned on how they communicate and practice the company's commitment to diversity and inclusion at recruitment

⁵¹ Diversity Inc (2015). No.11 | Wells Fargo Diversity Inc Top 50. Accessed June 2016 at <http://www.diversityinc.com/wells-fargo-2015/>.

stage. Employees who deal with customers and clients are invited to ask whether their language is sufficiently inclusive. Overall, training gives the workforce space to examine how conscious or unconscious bias against LGBTI people may impact on their performance.

Indeed segmenting the target group is important when organising unconscious bias training. Barilla works with Korn Ferry to implement a training programme about appreciating differences, which is focused on unconscious bias. The activity started with a pilot training activity, in which feedback was gathered from participants, about the exercises that were most effective. The pilot was undertaken in multiple countries to understand the differences. The exercises were also adapted to the Barilla company reality. The programme was rolled out with all office employees in 2014, and then was extended to field employees, and later on to sales employees. For each group different methods of delivery were used. For office employees it was in person, for field employees it was through a webinar. Barilla is now in the process of implementing the training for all its workers. This has required organising a 'train the trainer' programme. Each location has in fact its own culture; therefore the plant manager and the HR person are trained to give the training to their staff, in the local language and by using their own examples. The result is highly customised training.

Training also facilitates managers in identifying strategic solutions to drive LGBTI inclusion in business appropriate to their organisational aims. For example, senior management from Enterprise Rent-A-Car and the Irish Prison Service recently attended a Diversity Champions training to learn how to improve business performance by being LGBTI inclusive⁵². Barilla organises workshops for leaders, centred on leading in diversity and inclusion. This also is a highly customised programme for the different leadership teams of the different regions. These workshops are not only about awareness but also about the role leaders need to play and where they are in their individual journey as being an inclusive leader.

5.3 Guidelines and advisory services for management

Another tool that is employed to create awareness and increase unbiased knowledge and non-discriminatory practice towards LGBTI people is the development of guidelines. This has been particularly successful in addressing the inclusion of transgender workers - an area where lack of knowledge and prejudice are high.

At (SAP there has been strong support for gender identity-based diversity since 2005. It was in that year that an employee contacted the SAP Health Services department to make them aware she was going transition socially, and this would impact her personal and work life. A member of the Company Health Services team was familiar with the topic and offered assistance and advice regarding the transitioning in the workplace. This included the offer to talk to the employee's supervisor, and the suggestion to join the SAP employee network "Pride @ SAP." Together with this colleague, a two-phase plan for the transition was set up. Phase 1 covered the beginning of social transition until the final legal

⁵² Glen, Gay-Lesbian Equality Network. (2014). 'Does unconscious bias play a role in your business decisions? We look at how Diversity Champions training can help embed LGBTI inclusion across your company', Diversity Champions: News. Accessed June 2016 at http://www.diversitychampions.ie/news/27265/does_unconscious_bias_play_a_role_in_your_business_decisions_we_look_at_how_diversity_champions_training_can_help_embed_lgbt_inclusion_across_your_company.

name change. After presenting a certificate of trans-identity based on a doctor's statement, the contact details of the employee were changed without having to modify the administrative data. In Phase 2 the employee was assisted with changing the name and gender in other fields as well, such as on training certificates. In this Phase, dialogue with supervisors was very important. In 2007 and 2008, two other SAP employees transitioned, but the processes were not as clearly defined as they could have been. In response, Pride@SAP, Human Resources and the Corporate Communications departments created internal guidelines to help all employees better understand the transitions of colleagues. The content ranges from information for colleagues and supervisors to clarifications and explanations for behaviour in everyday life. In recognition of the creation and implementation of these guidelines, in 2008, SAP received the Max-Spohr prize from Völklinger Kreis (the German gay managers' association). Currently, SAP is supporting employees in this area in several countries, most recently in Brazil. Also, in early 2016, a US-based colleague delivered a session with Out & Equal about her experiences transitioning at the workplace.

Since 2005 there have been positive developments in the field of gender transitions and name changes became easier making the gender transition guidelines partly less needed. An example is Malta where in the GIGESC Act that passed in April 2015 it is stated that all citizens of Malta have the right to "the recognition of their gender identity".⁵³

5.4 Communication activities

A powerful vehicle for conveying messages related to inclusion and diversity is the organisation of artistic and cultural events, as well as the use of social media, intranet and internet and the production of communication outputs such as posters, videos, photos.

5.4.1 Celebrating the Coming Out Day

A first type of initiatives aims at conveying the message to LGBTI employees that it is 'okay to be out at work'.

Every year in the Netherlands Workplace Pride organises a national contest in the occasion of the Coming Out Day, which is celebrated worldwide on October 11th. A number of companies take this opportunity to conduct awareness-raising activities with their employees and the most original and effective campaigns are awarded a prize by Workplace Pride.

The production and distribution of posters with inclusion messages is one way to conduct such awareness-raising initiatives at workplaces. Since 2014 Post NL has been participating in the Coming Out day. In 2015 the company received the award assigned on that day to LGBTI-inclusive practices for a poster titled "Out of the closet it works better". This poster reported personal accounts of experiences of LGBTI employees⁵⁴: "We wanted to reach the whole population of Post NL employees (5000 persons) and the whole company. We asked management to hang these posters and to discuss them with their employees. We have even twice won the price for the best poster! We are very proud of this"

53 <http://humanrights.ie/international-law/international-human-rights/guest-post-malta-and-gender-identity/>.

54 Workplace Pride (2015). Poster: Uit de kast werkt beter! Coming Out day 2015. Accessed June 2016 at <http://workplacepride.org/wp-content/uploads/2015/10/Post-NL-NCOD.png>.

explains the interviewee. Also PWC organised an initiative to encourage coming out. A poster titled "Come out of the elevator", referring to coming out of the closet, was hung in the elevator. It was a call to all LGB employees to disclose.

5.4.2 Youth initiatives

In the context of awareness raising initiatives promoted by LGBTI networks, some are aimed at raising the awareness about specific segments of the LGBTI employee population. Viacom was selected in 2015 for hosting one of the Young@WorkplacePride sessions. This is a programme by Workplace Pride which focusses on the inclusion of young LGBTI people in the workplace. It was established in July 2013 for and by young LGBTI employees, to address the need for more inclusion of young LGBTI employees among existing LGBTI networks. The meeting at Viacom started out with a presentation by the organisers explaining to the group what Young@Workplace Pride stands for and what it strives to deliver, namely: the inclusion of young LGBTI people into working environments; and the awareness by employers of how integrating this group more effectively can benefit all stakeholders. This triggered interesting discussions and many viewpoints from companies of different size were shared. Following this opening session, smaller groups were formed to give the discussions more depth and to be as concrete as possible for the Young@Workplace Pride programme.

5.4.3 Social events to recruit straight allies

The importance of straight allies, employees who are willing to support the inclusion of LGBTI colleagues, is increasingly recognised by companies and LGBTI organisations. At Cisco, a social activity revolving around the distribution and consumption of ice-creams is used to this purpose. An ice-cream truck distributes ice cream to employees in all colours of the rainbow to employees, to symbolise diversity. With every free ice cream the employees receive a leaflet with information on how to be allies. This "ice cream social" activity takes place in all offices of the company. So far, the event has taken place in Amsterdam, Krakow, New York and San Jose. New sessions were planned for 2016. This was an internal event targeting all Cisco employees and contractors working on premise. It was organized and staffed by the PRIDE Employee Resource Organisation (ERO) and was funded by the Inclusion and Diversity team.

Our interviewee from Cisco explains the increasing success of the initiative:

"It was equally popular in all countries. It got people to get up from their desks, enjoy some ice cream, socialize with other colleagues and it raised awareness about the PRIDE group at Cisco. It was very popular in Amsterdam which we expected. We had a lot of fun and laughs when we asked people if they wanted straight (two different flavours) or gay (two scoops of the same flavour) ice cream! We were a bit nervous about how it would work in Poland, but there was a great turn out and lots of happy people eating ice cream. In San Jose, they combined it with a fund raising activity. In New York, it was an opportunity to launch a new PRIDE chapter in that location. It was a great way to raise awareness of the existence of the group there. The ice cream social event allowed to raise awareness of the PRIDE ERO group at Cisco and attracted enough employees to give away all of the ice cream. Actually, we still hear people tell us how much they enjoyed it and hoped we would do it

again. When we announced that we would do it again in June 2016, we got a lot of positive responses”.

Besides the ice cream social event, other straight allied activities were organised. A good mix of employees told their story on the intranet. Making it personal and interactive was a key to success of the programme.

5.4.4 Social media, intranet and audio-visual productions

New media are a powerful instrument to raise awareness about diversity and inclusion. Aegon used social media to implement a campaign to promote inclusion and diversity in the workplace. A selfie spot was created in the office, where employees could take their photo in front of an Aegon diversity poster. These images were placed on the Aegon Facebook page and shared 7,500 times. Besides this, a tweet of the Aegon diversity poster reached 14,500 people. Aegon won the Workplace Pride National Coming Out Day contest in 2015 because they were able to reach so many employees.

Finally, the company intranet is also often used to raise awareness. Intranet is a valuable tool for D&I, because one can easily reach all employees worldwide. To place something on the front page of the intranet is to give the topic priority also from the management point of view. Also, ambassadors, especially management, can easily support the message.

The production of audio-visual and photographic materials is other forms of communication aimed at raising awareness on LGBTI inclusion. For some companies, external initiatives have provided an opportunity to develop company-level audio-visual activities. SAP for instance produced a film in the context of the global “It Gets Better”⁵⁵ project. The “It Gets Better Project,” founded in September of 2010, includes a collection of over 50,000 videos submitted by individuals, celebrities, employees, and organizations in response to a number of suicides of lesbian, gay, bisexual, and transgender (LGBT) teens or those perceived to be LGBTI or different. The goal of the videos is to counter bullying influences by telling personal stories about how life gets better, and to offer hope by speaking directly to people at risk of suicide. The SAP film reflects on what makes a community, who belongs to it, and how communities can both hurt and help.

A more recent video on LGBTI Diversity, prepared by the SAP global network and advocacy group for LGBTI employees, Pride@SAP, features one of the leaders of Pride@SAP in Palo Alto, Silicon Valley, and is entitled: “Be Yourself. Everybody Wins”.⁵⁶ In 2014, Pride@SAP, released “LGBTI Allies: SAP Employee Stories”.⁵⁷ This is a video of SAP employees voicing support for the Lesbian, Gay, Bisexual, and Transgender (LGBT) community. The motivator for SAP to make their own video was the suicide of the young son of an employee who endured years of teasing and bullying as an openly out gay person. Many executives in that video talked about their personal experiences and their private lives. Their willingness to share their stories was extremely well-received, and the video was met with great empathy and support throughout the company. Trans and LGB-themed audio-visual productions are also often part of in-house actions on diversity, such as a photo exhibition on transgender people at work and a movie night about transitions for the SAP People Week 2014.

⁵⁵ <https://youtu.be/Zbh4YNwfmfJM>.

⁵⁶ <https://youtu.be/kJvK15-Roz8>.

⁵⁷ <https://youtu.be/epY1nW3kx7I>.

The development of audio-visual materials for internal training on diversity has been experimented with by some companies. At Nationwide Group, the Staff Union's LGBTI Advisory Committee participated in a diversity training video with specific coverage of sexual orientation issues. The video has been widely circulated as part of the organisation's diversity training package, and the group has now gained approval to make it compulsory viewing for all employees. The purpose is to educate staff on diversity and making diversity a key value to the organisation and thus increasing the image of a diverse company and employer.

6 Inclusive marketing and advertising

6.1 Introduction

So far we have focused our attention on internally-oriented initiatives of companies aimed at promoting the inclusion of LGBTI employees. There is a reciprocal influence between internal attitudes towards employees and external attitudes towards customers and society. This chapter is therefore devoted to what we have named “inclusive marketing”. This term however does not exist in the management and marketing literature, which has focused more attention on the so-called “gay marketing”. Gay marketing has been a tool for capturing a new segment of clientele which was (often erroneously) perceived as particularly affluent. Thus primary a business tool, not an inclusion tool, but for sure one which supports the business case of diversity. However, over time the representation of the realities of LGBTI people has become more widespread in mainstream media. As evidence from interviews on this topic was more limited, this chapter is primarily based on a literature review.

6.2 The historical developments of “gay marketing”

The first known survey of the gay market was research conducted for the Advocate in the US in 1968. In the 1970s, the market seemed mainly reserved to gay men, who had money to spend. Marketers, who started to consider gay men as a potentially lucrative market and advertisers wishing to reach these consumers, had to place their advertisements in gay publications, because many mainstream publications refused ads containing the words ‘gay’ or ‘homosexual’⁵⁸.

Magazines targeting mainly gay men carried ads for major companies such as RCA Records, MGM, Carnegie Hall and liquor companies.⁵⁹ Due to the HIV/AIDS epidemic in the 1980s, there was a growing need to provide health care and other services to people living with AIDS. Companies learned how to find gay clients and how to keep track of them. The attention shifted from gay male leisure products, popular since the 70s, towards gym memberships, vitamins and health care, home entertainment, food, fashion and travel. These are products often produced by more mainstream companies. Gay people and the gay market had become visible to the rest of America, including corporate America.

In the 1990s, companies looked for new sources of income and began to market their mainstream products – liquor, clothing and cars - to lesbian and gay men. Major corporations had shied away from marketing to gay consumers due largely to the AIDS crisis. However, corporate interest in the gay market increased in the early 1990s, as a consequence of a number of marketing *surveys* which portrayed gay men and lesbians as economically prosperous and potentially highly loyal consumers (Sender, 2004). This image of gay and lesbian consumers as affluent people led to a proliferation of advertising agencies targeting gay consumers in the 1990s. By the end of the decade, major advertising agencies, such as Countrywide Porter Novelli in Britain, had

58 Sender, K. (2004). *Business, Not Politics: The Making of the Gay Market*. New York: Columbia University Press.

59 Badgett, M. (2001). *Money, Myths, and Change: The Economic Lives of Lesbians and Gay Men*. Chicago: University of Chicago Press.

established special divisions to target the gay market. The practice of sponsoring gay social events also started. In the mid-1990s, over twenty-five marketing, advertising and public relations firms specialising in selling to lesbians and gay men were counted.⁶⁰ In the mid-1990s, over twenty-five marketing, advertising and public relations firms specialising in selling to lesbians and gay men were counted in the US.⁶¹ Banks even began offering gay men and lesbians credit cards based on their sexual identity. The most well-known of these is the Rainbow Card originally offered by Travelers Bank in 1995, which donated a portion of the profits to national LGBTI organizations.⁶²

This marketing and advertising towards gay and lesbian consumers developed further in the second half of the twentieth century, when companies specifically targeted 'niche markets' within the gay market.⁶³ Gay marketing and advertising took the form of advertisements or sponsored content in gay-oriented publications (e.g. The Advocate, Out, Instinct Magazine) and on gay-oriented websites (e.g. PlanetOut.com and Gay.com), direct mail solicitations, coded advertisements appearing in the commercial media and open appeals to gay consumers in the mainstream media.⁶⁴ As Wheeler-Quinnell points out:

"Nowadays marketing towards the LGBTI population is more and more incorporated into mainstream business marketing campaigns, which reach out not only to gay people but to their families and friends, and to cutting-edge consumers who make purchasing decisions based on their ethical lifestyles. Marketing to gay people can also mean businesses aligning themselves with high profile lesbian and gay initiatives".⁶⁵

6.3 Inclusive marketing and advertising: getting away from gay vague

"Gay marketing" is meant to appeal to gay male and/or lesbian consumers. Where advertisements were initially placed in gay magazines to reach the gay consumers, companies shifted towards marketing and advertising through the mainstream media (see section 6.2) to reach the gay and lesbian clientele. Initially, in doing so, companies worried that reaching out to gay and lesbian consumers would alienate straight consumers. Therefore, the marketers developed an advertising technique using coded appeals only recognized by gay and lesbian consumers. This was referred to as 'gay vague'.⁶⁶ An example of 'gay vague' advertising is Volkswagen's 1997 television commercial that shows two men driving around town in a VW Golf. Research showed that gay viewers

60 Sender, K. (2004). Business, Not Politics: The Making of the Gay Market. New York: Columbia University Press.

61 Lukenbill, G.(1995). Untold Millions. New York: Harper Collins Books.

62 Sender, K. (2004). Business, Not Politics: The Making of the Gay Market. New York: Columbia University Press.

63 Turow, J. (2006). Niche Envy: Marketing Discrimination in the Digital Age. Cambridge, MA: MIT Press.

64 Gross, L. (2001). Up from Invisibility: Lesbians, Gay Men, and the Media in America. New York: Columbia university Press; Sender, K. (2004). Business, Not Politics: The Making of the Gay Market. New York: Columbia University Press.; Campbell, J (2005). Outing PlanetOut: surveillance, gay marketing, and internet affinity portals. New Media & Society, 7(5), 663-693; Ostrow, J. (12 June 2012). 'Ads aim marketing at gay audience: Moving past "gay vague",' The Denver Post. Accessed June 2016 at <http://www.denverpost.com/2012/06/14/ads-aim-marketing-at-gay-audience-moving-past-gay-vague/>.

65 Wheeler-Quinnell, C (2010). Marketing: How to market to gay consumers. Stonewall Workplace Guides. Accessed June 2016 at <https://www.stonewall.org.uk/sites/default/files/marketing.pdf>

66 Sender, K. (2004). Business, Not Politics: The Making of the Gay Market. New York: Columbia University Press.

interpreted the two male characters as a gay couple, whereas straight viewers read these characters as roommates.⁶⁷ A more recent example is JCPenney's 2012 Father's Day print advertisement showing two dads playing with their kids. Although there was a protest from a conservative parenting group, the advertisement did not appear to cause concern among heterosexual consumers in general.



Nowadays, advertisers and marketers are moving beyond "gay vague" and more explicitly portrait gay and lesbian people, even when they aim at a wider audience. Brian Stout, senior strategist who heads the LGBTI marketing division at Leo Burnett, declared to the Denver Post: "Gay vague on one hand is nice; when we first saw it we were really excited about it. Then you realize we're the only ones who get it. We've come to expect a little more. Being quiet or vague about it just doesn't cut it".⁶⁸ In the same article, Bob Witeck, LGBTI market specialist, concluded: "Gay vague is yesterday".⁶⁹

6.4 Do we know the LGBTI market?

The consumer market is divided by marketers into subsets according to common characteristics. Targeting the most interesting market segment is niche marketing.⁷⁰ The LGBTI market is such a niche, and according to their group characteristics, a company can decide on a suitable LGBTI communication mix that is most effective in reaching these particular clients. However, LGBTI people are not all the same. For example, the purchasing power and behaviour of a lesbian is not the same as that of a gay man or a transgender woman. Most research that has studied the purchase behaviour of the LGBTI community has generalised the members of this audience under one LGBTI umbrella.

According to American research company Prudential, which monitors the financial experience of the LGBTI community, LGBTI respondents appear to be affected by income gaps linked to both gender and sexual orientation. "While males overall tend to make more money than females, gay men and lesbian

67 Ibid.

68 Ostrow, J. (12 June 2012). 'Ads aim marketing at gay audience: Moving past "gay vague",' The Denver Post. Accessed June 2016 at <http://www.denverpost.com/2012/06/14/ads-aim-marketing-at-gay-audience-moving-past-gay-vague/>.

69 Ibidem.

70 Dalgic, T (2006). Handbook of Niche Marketing: Principles and Practice. New York, The Haworth Reference Press.

women each report making less, on average, than their heterosexual counterparts".⁷¹

Gay men do earn more, however lesbians are more often in a household-relationship with dual incomes. Bi-sexual people are hard to define as they move in hetero as well as gay circles. Lastly, transgender people face difficulties such as economic discrimination. Nevertheless, the majority of all LGBTI marketing research does not distinguish between the different parties within the LGBTI group and there is a severe lack of information tailored to these subgroups.

Marketers should also keep in mind that an LGBTI audience also includes LGBTI friendly persons such as friends and family members of any LGBTI person. This makes the LGBTI market much bigger. Pew Research (Table 6.1) shows how the amounts of people who know a gay or lesbian person have grown since 1993.

Table 6.1 Closeness to gay or lesbian persons

	Jun 1993 %	May 2013 %
Do you personally know anyone who is gay or lesbian?		
Yes	61	87
No/ Don't know	38	13
	100	100
How many people who are gay or lesbian do you know?		
A lot		23
Some		44
Only one or two		19
None/ Don't know		13
		100
Do you have close family members or friends who are gay or lesbian?		
Yes		49
No/ Don't know		51
		100
Do you know any gay or lesbian people raising children?		
Yes		31
No/ Don't know		69
		100

Pew Research Center. Edited by Ecorys.

Q59-62. Figures may not add to 100% because of rounding. June 1993 survey by NBC News/Wall Street Journal.

Pew Research notes that more people today have gay or lesbian acquaintances, which is associated with acceptance of homosexuality and support for LGBTI equality.

Marketers have also recognised that not all gays and lesbians earn more than their heterosexual counterparts. For marketers it is increasingly important to segment the LGBTI community, distinguishing affluent and working class gay men and lesbians, gay people from ethnic minorities, gay people with disabilities and transgender people.⁷²

71 Prudential (2016). The LGBTI financial experience 2016-2017. Accessed June 2016 at <http://corporate.prudential.com/view/page/corp/31864?src=hafe&pg=30500>.

72 Chasin, A. (2001). *Selling Out: The Gay and Lesbian Movement Goes to Market*. New York: Palgrave Macmillan.

Sender, K. (2004). *Business, Not Politics: The Making of the Gay Market*. New York: Columbia

6.5 Where successful advertising meets LGBTI equality

6.5.1 Sensitive advertising

Advertising seeks to sell, not to offend. By being open and respectful in their advertisements companies can develop a relationship with gay and lesbian consumers that will promote brand loyalty.⁷³ In a 1999 survey of gay men and lesbians by Greenfield Online, 77% of those surveyed said that they shifted to a brand produced by a company with a gay-positive attitude, and 87% report shifting brands because of a company's negative stance. An example is the Coors beer boycotts by the LGBTI community in the 1970s and 1980s because of objectionable employment practices such as union busting and lie detector tests that targeted gay employees.⁷⁴

Stonewall, a lesbian, gay, bisexual and transgender rights charity in the UK, advises 10 steps that companies should take into account when marketing towards gay consumers:

1. *"Incorporate gay people into your mainstream campaigns;*
2. *Research the needs and preferences of your lesbian, gay and bisexual consumers;*
3. *Consult with your gay staff network groups, service users and community groups;*
4. *Consider your visuals;*
5. *Engage with gay communities by supporting and aligning yourself with local and community groups and/or events;*
6. *Ensure that you can deliver what you promise;*
7. *Senior leaders in the business should be engaged and on board with marketing initiatives targeted at gay consumers;*
8. *Measure success of outreach campaigns amongst gay consumers and use this to develop future initiatives;*
9. *Respond robustly to any negative reactions to maintain the loyalty of gay consumers;*
10. *Stay consistent".*⁷⁵

In our study we have found several examples of European companies targeting the LGBTI community implicitly or more explicitly in their advertising. In 2014 the Italian unit of the frozen food company Findus (Bird Eye Iglo Group) produced what is thought to be the first TV commercial in Italy that touches on the subject of homosexuality. The advert features Luca, who hosts a dinner party for his mum at the home he shares with his flatmate, Gianni. After surprising her with his culinary skills he reveals that his flatmate is also his partner. His mother replies that she had already got that. The advert won praise from Italy's LGBTI organisations.⁷⁶

University Press.; Campbell, J (2005). *Outing PlanetOut: surveillance, gay marketing, and internet affinity portals*. *New Media & Society*, 7(5), 663-693.

73 Lukenbill, G.(1995). *Untold Millions*. New York: Harper Collins Books.

74 Badgett, M. (2001). *Money, Myths, and Change: The Economic Lives of Lesbians and Gay Men*. Chicago: University of Chicago Press.

75 Wheeler-Quinnell, C (2010). *Marketing: How to market to gay consumers*. Stonewall Workplace Guides. Accessed June 2016 at <https://www.stonewall.org.uk/sites/default/files/marketing.pdf>.

76 Findus Italy produces its first gay-friendly advert, *The Local*, 10 June 2014, pp. 28-29. , <http://www.thelocal.it/20140610/findus-italy-produces-first-gay-friendly-ad>, retrieved on 22 August 2016. See also video on: <https://www.youtube.com/watch?v=F0ImkKvNwc8>.

This example is certainly not isolated. Marriot (hotels) publishes gay-friendly statements and videos on the company's website both in the US and in Europe. Pons Quimicas (cleaning products) advertised with a gay couple, sharing a kiss. Costa cruises has an explicit mentioning of the inclusion of transgender people on their website. Deutsche Bahn has recently issues an ad on the occasion of the 2016 European soccer championship featuring a young man who uses the rail service to follow his soccer playing boyfriend.⁷⁷ Vivo-friendly, that is providing services and products in the area of housing, in its advertising doesn't specifically mention the word 'gay', but it shows pictures of families that have a non-traditional composition. And with the support of the Vienna Tourist Board, Austrian Airlines branded a Boeing 777 for the Life Ball, a charity against AIDS and pro equality in 2014. In chapter 6.6 we elaborate on some examples of marketing or advertising for specific products and services.

Another example of LGBTI-friendly advertisement reported by Stonewall is the following one:

In 2008, Pepsi launched an advert across the UK, which showed two men in a bar encourage their friend to chat to a woman. The man drank PepsiMAX for confidence to walk past one woman, then past another, until he finally approaches a man at the end of the bar to the visible surprise of his friends. The advert engaged the audience by playing with the assumption of heterosexuality. The film was also used for online advertisements and activity across a number of digital media channels including Facebook, Sky Sports Network, FHM, and on the PepsiMAX web and mobile sites.⁷⁸

Absolut Vodka was one of the earliest brands to directly engage with gay consumers through community-specific advertising and promotions. Some of their campaigns focused on changing the design of the bottle to appeal more to gay consumers. This included a limited edition Colors bottle in 2008, to mark the 40th anniversary of the Stonewall riots and to celebrate four decades of gay pride. In later years Absolut Vodka designed the No Labels bottle, to challenge prejudice.

6.5.2 LGBTI celebrities as testimonials

Sometimes LGBTI celebrities have been used as testimonials for marketing of products and services. Since 2004 American Express has featured Ellen Degeneres in its US 'My life. My card' advertising campaign. The campaign offers a glimpse into Ellen's personal life and ambitions and has been run in print, online and adapted for a TV commercial. Ellen's endorsement enables American Express to establish an emotional connection with both gay and straight people and encourages consumers to learn more about American Express products and services.

6.5.3 Factors influencing LGBTI buyers' decisions

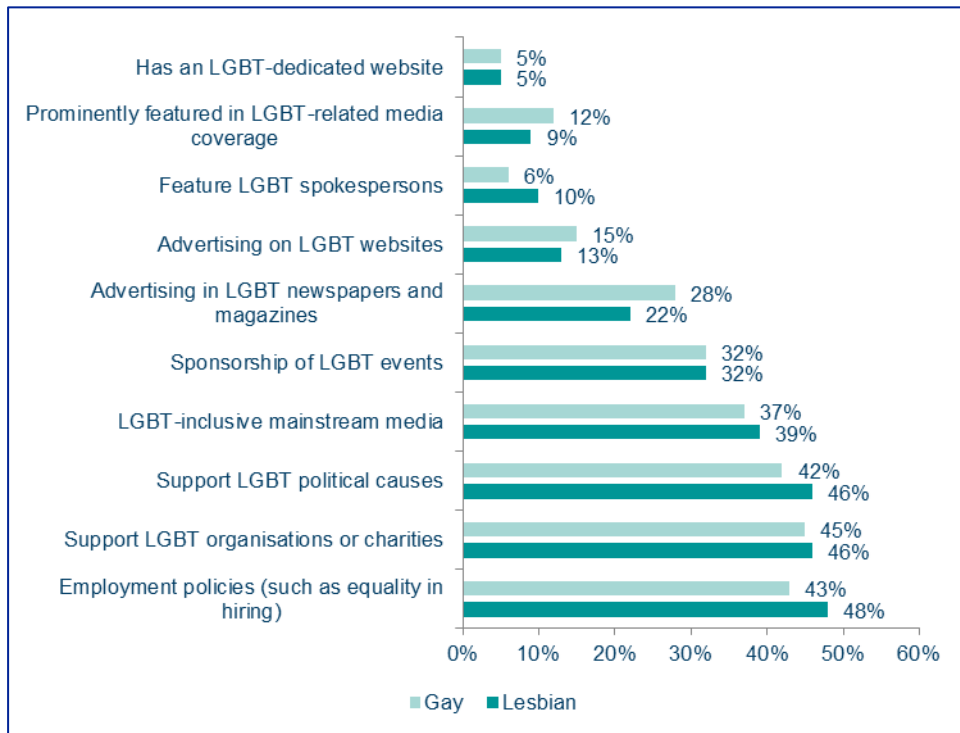
With those observations in mind we now explore further what, besides LGBTI sensitive advertising, influences (potential) LGBTI buyers' decisions, and what should companies do to attract the LGBTI clientele. Figure 6.1 shows which

⁷⁷ <http://www.outsports.com/2016/6/2/11837782/video-adorable-german-ad-features-gay-soccer-player-and-his-boyfriend>.

⁷⁸ Wheeler-Quinnell, C (2010)., op.cit., p. 9.

approaches have the biggest impact on influencing the purchasing decisions of LGBTI consumers.

Figure 6.1 Gay and lesbian consumers for which a number of factors had impact on purchasing decisions



Source: Community Marketing & Insights (CMI). 5th Annual LGBTI Community Survey. Edited by Ecorys.

This figure reveals that equality implemented in workplace policies have the biggest impact on LGBTI purchasing decisions, just before support to charities and political causes. These data suggest that there is a strong link between a company's internal policy and its public external image especially amongst LGBTI people.

An emblematic case highlighting this relationship is represented by the developments within Barilla. A boycott by the LGBTI community and its allies had to be encountered, after a statement of the CEO of Barilla that same-sex couples would not be featuring in Barilla's ads, and homosexuals should probably eat pastas from other companies. Instead of thinking about this situation as a PR issue that needed "handling", leaders made the decision to tackle the issue by attacking the root causes, not just around sexual orientation, but all possible inclusion blind spots.

The company decided to appoint their general counsel as Chief Diversity Officer and at the same time launched its Diversity and Inclusion (D&I) Board, consisting of 10 senior level employees and a separate external advisory board, which includes three high profile public figures, including a civil rights activist, a Paralympic champion, and an esteemed academic leader. Barilla also involved an external partner, a training company with a lot of expertise on D&I. A company-wide D&I survey was launched for all the employees in factories and offices across eight countries. The results of the survey showed that a lot of work had to be done, concerning D&I in the organisation. The external partner interviewed Barilla's top executives, as well as delivered a two-day session to the Barilla D&I board to define the employer value proposition for D&I. The session highlighted

the benefits of a diverse workforce within a globally diverse marketplace and the power of diversity of thought within an inclusive work environment. The external partner also held focus groups with employees in the whole company (eight countries).

The outcomes of all these talks and sessions were the input for the development of a training. Besides that all human resource policies and procedures were reviewed for unconscious biases, and were updated where feasible. The rollout of the diversity training all over the company began in 2014. Barilla is now fully aware of cultural and regional differences, and has appointed local D&I ambassadors.

The Chief Diversity Officer states that leaders needed to understand that D&I is intertwined with the business strategy and growing profitability:

"All the work we're doing is to embed D&I into our day-to-day activities and show how it can help drive strategy, and provide a measurable impact on business performance—in a marketplace that is increasingly diverse. There is no doubt that a truly diverse workforce will help us achieve a greater competitive advantage on the global stage".

As figure 6.1 shows, equality in the workplace has the biggest impact on influencing LGBTI purchasing decisions. The initiatives of Barilla were certainly observed externally, because Barilla had a perfect score in the Human Rights Campaign (HRC) Corporate Equality Index (which measures companies' inclusion of those who are lesbian, gay, bisexual, or transgender) in 2014 and 2015. In 2015, Barilla's CEO, was invited to sign the UN Women's Empowerment Principles. The company also supported the launch of two Employee Resource Groups: "Voce" for LGBTI employees and allies, and "Balance" to help advance a gender balance.

Sometimes marketing and consumer boycotts have been intertwined with political issues. In 2013 gay bars from West Hollywood to London were pulling Stolichnaya Vodka from their shelves in protest of Russian anti-gay laws, as it was believed the Vodka is a Russian product. The initiators of the #dumpstoli campaign were initially unaware of the fact that the brand is produced in Latvia and the company had been supportive of the LGBTI community for years, for example in 2006, when launching a documentary series called "Be Real: Stories From Queer America". And in 2013, in search of LGBTI ambassadors for the brand, Stolichnaya held a series of events in US cities called The Most Original Stoli Guy. The CEO of the company said that the gay community is one of the most active consumers of Stoli. When Stolichnaya convinced the LGBTI population of its close ties to the LGBTI community in nations across the world the ban was lifted.

6.6 Specific products and services

Not only LGBTI friendly advertisements have been used in recent years to attract LGBTI consumers, but also specific products have been deployed. In our study we have found different examples of products and services specifically targeted at the LGBTI (potential) clientele.



6.6.1 Housing

We interviewed people in three initiatives linked to housing and personal services catering to the needs of elderly LGBTI people. One of them is the network Queer Altern in Switzerland. In October 2014 Queer Altern was started as a non-commercial organisation after two years of research into terms of necessity. The aim was to develop services for LGBTI people of age. A (non-representative) online survey found that around 80% of the participants were in favour of specific housing arrangements for LGBTI people. Open visiting arrangements for friends and partners and acceptance of sexual orientation by employees are a precondition.

Not only the way LGBTI persons are treated by staff can be problematic, also living with the other residents can be. Some deny the existence of other identities and people do not want to feel the need to close up after many years of openness. Accommodation needs to be available to people with different budgets. Also, the accommodation is not exclusively for LGBTI people, but also for people who are LGBTI friendly. Two other initiatives of the same nature were found: Queerbau, in Vienna and Vivo friendly, in Italy. In its advertising Vivo-friendly does not specifically mention the words lesbian, gay, bisexual or transgender, but it shows pictures of diverse families. In 2012 a gay local development consultant, with his friends, started gayhouseshare.com, a house-sharing service. The motivation was driven by his experience that a service of this type could have its own market. A market research and a benchmarking exercise showed that house-sharing gay friendly services existed in only a few countries, thereby confirming the existence of a business opportunity. There was also an understanding that existing websites of the kind were focused too much on properties, and too little focused on people. Consequently the service was developed as a social network. Later on the name Gayhouseshare was changed into Vivo friendly which underlines the fact that the website is not exclusively targeting the LGBTI community, while keeping through the world "friendly" a connotation of openness and acceptance. According to the developers, a broad society has evolved and there are many non-LGBTI people that have the same demands as the LGBTI community, in particular in terms of lifestyles, values and aspirations. It was thus worth expanding the targeted groups.

6.6.2 Leisure/holidays

Tourism and leisure are two other sectors where there has been marketing attention towards the LGBTI clientele. According to the LGBT2020 survey from Out Now Business Class, the LGBTI community makes up for 10% of the entire travel industry. LGBTI people are also more likely to purchase major vacations.⁷⁹

"Based on national population figures, the American gay and lesbian community represents a US \$47.3 billion travel market, or about 10% of the U.S. travel industry. But based on the results of our surveys, it represents an even larger percentage of the overall travel market in terms of actual gay and lesbian dollars invested in travel."⁸⁰

Destinations are also changing. Typical gay destinations such as San Francisco, Sydney and London are no longer the leading locations. A new, growing trend is

79 Community Marketing Inc. (2011), 5th Annual LGBTI Community Survey™ highlights.

80 Roth T. (2011), Niche Marketing: The Gay and Lesbian Travel Market, http://www.atme.org/pubs/archives/77_253_1110.cfm.

now moving to more unexpected places such as Stockholm, Helsinki, Manchester and the Australian Gold Coast.⁸¹ Other factors that are important for the development of gay travel industry trends include legalised marriage and how gay friendly local people and hospitality facilities are. The travel industry cannot afford not to target the LGBTI audience⁸² as on average gay men fly more than straight people and spend more money when on holidays. Another claim is that gay men do more business travel because they are more likely than straight people to have an international job.

One reason for growing gay travel is the increasing legalisation of same sex marriage in the around the globe. This is boosting the same-sex marriage market significantly. Couples will travel to countries where same-sex marriage is admitted to get married or will travel abroad for their honeymoon. This makes the market interesting for carriers, accommodations, venues and destinations.⁸³ Jim Werner, co-founder of gay specific medium Fagabond.com, explains on his huffpost.com blog why gay marketing in the travel industry is so important in order to attract them. He claims that gay men do want to receive a special invitation when traveling to a destination because they want to make sure they are accepted and welcomed, an inviting advertisement will give that reassurance.⁸⁴

In our research we have found several examples of stakeholders in the leisure industry specifically targeting at LGBTI people by tailoring ads of specific products that are considered to be appealing for this market segment. For instance, the Marriot (hotels) publishes gay-friendly statements and videos on the company's website both in the US and in Europe. Costa cruises has an explicit mentioning of the inclusion of transgender people on their website. And Thomson created its Freedom Collection of holidays and launched an e-brochure in January 2010 after recognising the need to offer their gay customers more choice and more security. The collection means that all its hotels have the GayComfort seal of approval that was initiated by LGBTI organisation Out Now.

6.6.3 Funeral services

Also in the field of personal services specific offers are developed for LGBTI people. In the Netherlands a national network of LGBTI undertakers.⁸⁵ offers so-called pink funerals. The driver of the initiative is the belief that not only during life, but also in the last phase on earth LGBTI people might need specific and special attention. The undertaker takes into account the sometimes special circumstances around the funeral of a person belonging to the LGBTI community, which often include a circle of friends who functions as a family, the involvement of partners and ex-partners and the occurrence of sensitive family circumstances because of a complicated coming-out of the deceased in the past.

In 2005, in the UK, The Co-operative Funeralcare looked at the experiences of their gay customers. They found that gay clients can be particularly worried

81 Figueroa, A (2013). 'LGBTI Survey Sends a Message: Pay Attention to This Market,' Travelmarket: Voice of the Travel Professional report. Accessed June 2016 at <http://www.travelmarketreport.com/articles/LGBT-Survey-Sends-a-Message-Pay-Attention-to-This-Market>.

82 Euro RSCG Amsterdam (2005). Onderzoek Gayvertising 2005. Accessed June 2016 at <http://mrb.lynkx-01.nl/Uploads/Files/Rapport%20Gayvertising%20Euro%20RSCG.pdf>.

83 Reaney, P. (14 March 2014). 'Gay Marriage Expected To Boost Travel, Hospitality Around The World, The Huffington Post: Queer Voices. Accessed June 2016 at http://www.huffingtonpost.com/2014/03/14/gay-marriage-travel-hospitality-_n_4963823.html.

84 Werner, J. (23 August 2013). Gay Travel Advertising: Do We Need Our Own Invitations?. Accessed June 2016 at http://www.huffingtonpost.com/jim-werner/gay-travel-advertising_b_advertising_b_3787694.html.

85 Zielhuis Uitvaart. Accessed June 2016 at www.rozeuitvaart.nl.

when making funeral arrangements as they perceive the funeral industry lacks progressive thinking around sexual orientation. In response, The Co-operative formed a link with Pink Partings. The Pink Partings website offers a service designed specifically for gay people arranging the funeral of a partner or of themselves. It provides a safe space where lesbian and gay people can be assured that they will not be judged during a time when support is needed the most.

7 Public engagement

7.1 Introduction

Company commitment to diversity and inclusion often also takes the form of public engagement activities. These have the purpose of demonstrating to the LGBTI community, including potential LGBTI employees, but also other potential employees and clients, that the matter is taken seriously by the company.

There are various degrees of commitment and acts can range from participating in a Pride event, to more complex ones, like funding research activities or participating in joint lobbying of public authorities with LGBTI organisations. Some acts of engagement can be especially costly for businesses like deciding not to conduct business with firms or countries where discrimination is the norm. The relevance of these engagement acts also needs to be assessed in relation to the context. In countries where homophobia is widespread, even sponsoring a pride event can appear a bold move. In the following sections we provide a number of examples of how companies publicly express their commitment to LGBTI inclusion.

7.2 Diversity charters and declarations

In recent years, a growing number of organisations have committed to diversity and inclusion by signing charters, declarations and other public documents.

Diversity charters are among the latest in a series of initiatives aimed at encouraging companies to implement and develop diversity policies. A diversity charter consists of a short document voluntarily signed by a company or a public institution. It outlines the measures it will undertake to promote diversity and equal opportunities in the workplace, regardless of race or ethnic origin, sexual orientation, gender, age, disability and religion. The European Commission recognises that diversity charters can contribute to fighting discrimination in the workplace and to promoting equality. Therefore the Commission is funding a platform for EU-level exchange between organisations promoting and implementing national diversity charters. The platform is part of a larger project which aims at supporting voluntary initiatives promoting diversity management in the workplace.⁸⁶

The Austrian "Diversity Charter" for instance⁸⁷ is an initiative of the Austrian Federal Chamber of Commerce and of the Chamber of Commerce of Vienna. It is an official and voluntarily signed statement according to which companies and organisations agree to take measures to prevent discrimination at the workplace and promote equal opportunities for all persons regardless of gender, age, race or ethnic origin, disability, sexual orientation, religion or values.

Declarations and manifestos are also promoted by private non-profit organisations for LGBTI inclusion to be signed by supportive companies. Eighteen private and public employers based in the Netherlands have signed the

86 European Commission's Directorate General for Justice and Consumers. (2016). Diversity Charters across the EU. Accessed June 2016 at http://ec.europa.eu/justice/discrimination/diversity/charters/index_en.htm.

87 Several companies from our sample have signed Diversity Charters, for example PostNL has signed the Dutch charter in 2015.

Declaration of Amsterdam promoted by the Workplace Pride Foundation. The Declaration is a call for action to all parties involved, ranging across LGBTI and non-LGBTI employees, employers, unions and governments. It consists of 10 points that help ensure improvement in the workplace for lesbian, gay, bisexual and transgender (LGBT) people. One of the points urges employers to identify and support leaders and decision-makers (LGBTI and straight) that actively strive to create LGBT-inclusive working environments.⁸⁸

"Organisations signing the declaration agree to make an extra effort to create an inclusive corporate culture where LGBTI feel valued, can be their authentic selves and realize their full potential. By signing, they also agree that they will go beyond legal requirements in their efforts by encouraging active leadership from straight allies and LGBTI role models to support an LGBTI workplace."⁸⁹

Of our case study companies KPN, Accenture, IBM, Cisco, ING, Post NL, PWC and Dow have signed the declaration.

7.3 Sponsoring and participating in events

7.3.1 Joining the Pride

Another common way for companies of showing concern about the LGBTI inclusion cause is sponsoring Pride events. This is sometimes the most affordable initiative for small and medium enterprises that have no developed human resource policies, but also companies which do not feel ready for other types of engagement:

- Emile Frisch, a coach and bus company, decided to sponsor Gaymat 2015: Luxembourg Gay Pride Event, with 1500 Euros. This is a rare example of a SME taking such an initiative because this company only has 60 employees;
- Fix, the most renowned beer brand in Greece, was one of the sponsors of the Athens Pride 2015.

There are, however, more structured examples of participation, especially in those countries that have a longer tradition of Pride events.

The PostNL Pride employee network for lesbian, gay, bisexual and transgender people, for example participates since 2008 in the annual Canal Parade of Amsterdam Gay Pride. The PostNL interviewee explained: "We want to show to the public that we find LGBTI inclusion an important topic for our company. Employees of Post NL are guests on our boat. Internally we pay attention to the Canal Parade on intranet".

During the 20th edition of the Pride Canal Parade in 2015 the focus was on the employee and the motto was Delivered with Love (*Met Liefde bezorgd!*). The overall theme of the Pride was "Share!" The theme was fulfilled by giving all employees a role in a PostNL musical. After each bridge on the route there was a musical exhibition. Two children of a PostNL employee opened the show in drag queen outfit to perform popular numbers, while a parcel deliverer came on stage

88 Workplace Pride (2016). The Declaration of Amsterdam. Accessed June 2016 at <http://workplacepride.org/what-we-do/the-declaration-of-amsterdam/>.

89 Workplace Pride (9 October 2014). KPN signs Declaration of Amsterdam. Accessed 2016 at <http://workplacepride.org/2014/10/09/kpn-signs-declaration-of-amsterdam/>.

to close the musical with the song "Everything is love" (*Alles is liefde*). The live musical act was alternated with music played by a PostNL DJ and chosen by the 75 participants on the boat. There was also a support boat from which 50 PostNL employees encouraged the passing-by boats to approach and sing along. A small selection of employees and board members were also present on the VIP tribune. The PostNL musical was followed via Twitter and Facebook and by TV live broadcasting. A video with interviews with participants during the Canal Parade was posted on YouTube.

Some companies decided to raise their level of involvement in the Pride during the years. PWC joined several times the Workplace Pride boat at the gay parade with representatives of their Board of Directors. Normally the boat was shared with multiple companies who are member of Workplace Pride (including ING and KPN), but in 2016 PWC decided to have its own boat in order to make a very clear statement. The PWC interviewee noted: *"We want to make this broader and include the European dimension as well, since it is a European Gay Pride. And we want to include the other diversity themes as well"*. According to the interviewee the impact is stronger if one has a boat that not only consists of gay people but also of other people.

7.3.2 Hosting and sponsoring conferences

In 2015, Workplace Pride held its international conference at the Zuidas in Amsterdam, a business district where many multinational organisations are located. Accenture became the main sponsor of the event, with the objective to improve their internal and external position as an inclusive employer. The company also wanted to position themselves at the Zuidas as a diverse and colourful company (not just grey suits). Accenture believes that being personal, authentic and diverse is good for business, to attract talent from a diverse society and to retain talent in the company.

The event took place in a large pavilion in the middle of the business district and Accenture obtained a lot of positive feedback. They also allocated a large budget for the sponsorship of the conference, with the support of the board and management. Other companies sponsoring the event were IBM, ABN Amro, Booking.com, Arcadis, APG and ING.

7.3.3 Raising rainbow flags at Coming out day

The Coming Out Day provides an opportunity for companies to publicly express their support for the LGBTI cause. At the International Coming Out Day, for instance, KPN raises the rainbow flag at fourteen KPN locations throughout the country. In 2014 KPN arranged a guided tour for Workplace Pride members in the Rijksmuseum. This initiative gave participants the opportunity to see the museum in all its glory, but was also another chance for Workplace Pride members to network.

7.3.4 Running own events

Certain companies prefer to run their own events rather than participating in public events such as Prides. For KPMG, for instance, organising through its LGBTI network lectures by distinguished guests and other similar events under its own logo (see section 7.7.1) provides more visibility and the company can use such events for networking and to increase its consultancy business. The KPMG interviewee explained the business case for this choice:

"We don't sponsor external events that much anymore, because it's not good value for money. I could run an event cheaper, and have more impact. If we quantify the business we bring in, the fees of work that we have acquired are ten times higher or even more. If you ignore that and look more generally at impact, it would again be disproportionate, because our profile is very high compared to the effort we put in. An example is another firm that spent 70.000 pounds on one LGBTI event that they sponsor, while their profile is not ten to hundred times higher than our profile. You can thus get quite a high profile with a low effort."

7.3.5 Showcasing inclusion at Career fairs

Participation in career fairs provides an excellent opportunity for companies to showcase their commitment to diversity and inclusion to potential recruits. The Pride@SAP LGBTI network for instance is represented when SAP takes part in career fairs, not only in Germany but throughout Europe and in the US. For example, at a recent career fair in Berlin, Sticks & Stones, a Pride@SAP representative was in the booth and talked to graduates and more senior attendees, explaining that SAP is focused on inclusion and is committed to having a diverse workforce.

7.4 Sharing experience with other organisations

Organisations that have a developed LGBTI inclusion policy sometimes become a role model for other organisations of the same industry and local area. Cardiff University is now a reference point for other neighbouring universities willing to replicate its efforts. This contributes to the attraction of talents in the local area. The interviewee from Cardiff University explained:

"What we have been doing and how we have approached it has knocked on local universities like Swansea University and Cardiff Metropolitan University (which is different University to Cardiff University). I went to speak with both these universities and showed them how we have approached the issue and they have learnt from our experience. It is a huge and positive thing that three universities in South Wales area now are so inclusive that people choose to go there to work or to study based on this reputation. I think that it is something that you cannot underestimate, how that message starts to filter out. I have been in contact this morning with someone at Goldsmiths in London who also wants to pick my brain about what we've been doing at the university and how we have made it work. We have an impact on the sector".

In a more formal fashion, Daimler has become an example company by winning the award for the LGBTI Employer of the Year in Germany 2015. It has done so by introducing equal rights for all types of spouses and relationships. The company has also been involved in panels and discussions at Gay Prides around Germany. "This indicates that the outside world sees Daimler's efforts and that the company has a good reputation" emphasises an interviewee from the German company.

7.5 Cooperating with public stakeholders and civil society

7.5.1 Meeting representatives of institutions and civil society

Taking part in meetings with institutional representatives and supporting advocacy activities by civil society organisations on the national and international level is a clear sign that a company cares about LGBTI inclusion. In the US, Dow Chemicals, which has an active LGBTI network called GLAD, and has actively pushed for federal legislation to protect LGBTI people from discrimination. Representatives from the company have spoken multiple times in recent years on Capitol Hill regarding LGBTI rights in the workplace, for example in 2012, when GLAD leadership testified before the Senate in support of the Employment Non-Discrimination Act.⁹⁰

Also in Europe, involvement of companies in public advocacy is starting. On Friday, 20 September 2013, Workplace Pride organised a visit to the European Parliament in Brussels. Approximately 40 participants from different member organisations – public and private employers - boarded a bus in the morning for the trip to Brussels where they spoke with organisations dealing with LGBTI rights. Among others, ILGA Europe was met, a representative of the EU LGBTI Intergroup and the chair of the internal LGBTI network of EU institutions.

7.5.2 Making statements against discriminatory laws

Increasingly, it is possible to see large-sized businesses making public statements against discriminatory legislation. One recent case is the large number of companies and organisations (including Dow Chemicals, IBM, Biogen, PayPal, NBA, Bayer, Google, and Apple) which together with celebrities such as Ringo Starr or Bruce Springsteen made statements against the passing of a discriminatory bill by the North Carolina state government. This bill is a wide-ranging measure that blocks local governments from passing laws protecting LGBTI people requires schools to designate single-sex bathrooms based on “biological sex” and pre-empts city policies involving wages, benefits and other workplace regulations. The law was a response to an anti-discrimination ordinance passed in Charlotte, which allowed transgender people to use the bathroom designated for the gender with which they identify.

A similar mobilisation of about 400 businesses has taken place against a discriminatory bill passed in Georgia.⁹¹

7.5.3 Supporting communication campaigns

Those companies having specific expertise in communication may show their engagement by developing antidiscrimination campaigns. Respect APP, a Slovak full-service advertising agency, decided to respond to the extent of activities in Slovakia encouraging hatred against LGBTI people in 2014. In April 2014 an organisation called Alliance for the Family started collecting signatures for a

90 Dow Chemical Company (2015). Dow Recognized Among “Best Places to Work” for LGBTI Employees for 11th Consecutive Year. Accessed June 2016 at <http://www.dow.com/news/press-releases/dow%20recognized%20among%20best%20places%20to%20work%20for%20lgbt%20employees%20for%2011th%20consecutive%20year>.

91 'Huffingtonpost.com (2016). Slideshow: Companies Against Georgia's Anti-LGBTI Bill. Accessed June 2016; http://www.huffingtonpost.com/entry/businesses-nc-anti-lgbt-law_us_56f42b8ee4b0c3ef52184903?slideshow=true#gallery/56d734cde4b03260bf78f332/0.

referendum “for the protection of the family”. The petition contained items about defining the marriage as an alliance of one man and one woman and defining adoptions to be only for heterosexual couples. The tone was very aggressive. In that period of time Respect APP was approached by Slovak businessman Branislav Grohling who had the idea to make a positive counter-campaign in support of gays and lesbians. Without hesitation Respect APP developed and launched this campaign.

7.5.4 Cooperating with equality bodies

There are companies who are cooperating with equality bodies to share their experience of LGBTI inclusion providing interesting examples of public-private cooperation. In the area of transgender workplace inclusion, SAP participates in external projects including some led by public sector organisations. Among many other activities, they took part in the Project “Trans* in Arbeit” led by the Berlin Office for Equal Treatment Against discrimination of the Berlin Senate and funded by the European Union.⁹² The aim of Trans* in Arbeit was to improve the employment position of transgender people and combat discrimination on the ground of gender identity and gender expression. This was done by developing information and education materials, promoting sensitivity towards transgender people in the public administration, sensitizing and activating key people in the labour and professional sector, and strengthening legal certainty and self-determination of transgender people themselves.

The key target groups of the project were human resources managers and executives in companies, work council members, representatives of employment agencies, job centres, social partners, LGBTI employee networks, representatives of public administrations at the European, national and regional level, as well as trans - and inter-gender people and their organisations. SAP’s contribution in the project consisted of helping in the further development of the Transition Guidelines the company had drafted for its internal purposes.⁹³

7.6 Supporting LGBTI inclusion in the wider society

7.6.1 Joining social awareness-raising campaigns and projects

As mentioned in section 1.1.1 SAP joined the international “It Gets Better” project, a worldwide campaign encouraging the production and sharing of videos to combat bullying and discrimination of LGBTI youth,⁹⁴ by releasing its own film in support of LGBTI youth in crisis. This was a public statement, in addition to being a powerful opportunity to share and spread messages of inclusiveness throughout the company.

7.6.2 Funding academic chairs

Another form of societal engagement available to companies is supporting research on workplace inclusion. For example, KPN decided to sponsor the world’s first LGBTI workplace-dedicated University Chair in 2016, created

⁹² <https://www.berlin.de/lb/ads/schwerpunkte/lbtti/trans-in-arbeit/>.

⁹³ <https://www.berlin.de/lb/ads/schwerpunkte/lbtti/trans-in-arbeit/transsensibilitaet-in-organisationen/>.

⁹⁴ <http://www.itgetsbetter.org/content/international-about>.

through the initiative of Workplace Pride Foundation and Leiden University. The motivation behind the initiative is the lack of empirical data on LGBTI inclusion in the workplace leading to *"uninformed decisions and lack of progress for both businesses and employees"*⁹⁵. The aim is to provide both a theoretical base and practical guidelines for employers. As the press release explains:

*"The Chair will provide "a focused and scientific multi-disciplinary approach for how to improve LGBTI inclusion in the workplace and allow the development and enhancement of scholarship in this priority area of study. While firmly rooted in the Dutch model for LGBTI inclusion in society, the Chair will be both domestic and international in scope and will foster recruitment of faculty members from among the best scholars in the world. This initiative is a milestone in the field of LGBTI inclusion. KPN is committed to diversity and inclusion in the workplace and we want people to feel free to be themselves. By supporting this initiative, we want to go further and really contribute to research on this topic", said Janine Vos, KPN Chief Human Resources Officer, at the launch conference.*⁹⁶

7.7 Engaging with clients and suppliers

7.7.1 Engaging with the market and clients

Companies have different internal and external stakeholders. Clients are clearly one of the most important. There are positive spill-over effects on the business if clients are involved in public events organised by the internal LGBTI networks.

The KPMG UK LGBTI employee network decided to open their events to the external public and clients in particular. One of the examples is an event in October 2014, where the straight ally rugby player Ben Cohen, the CEO of Stonewall, and Professor Stephen Hawking were invited to deliver a speech. About 350 clients attended and this way the network made a huge impact on the company's external profile. "Although it is not so easy to assess it, because there are not clearly recognizable LGBTI companies like there are, for instance, Chinese companies, the volume of work brought in by the consultancy via these externally-oriented networking events is substantial", according to our interviewee.

The work that was brought into the firm came through a personal relationship with a LGBT-person in another company, who wanted to strengthen the relationship between the companies, because the level of trust and comfort that had been built up between the networks of the firms. This approach whereby networking was also a business activity for the company was initially seen with suspicion by some employees. The interviewee explains: "Some of the LGBTI staff were less comfortable about what the network was doing, particularly about the client-facing commercial aspects. Some felt that activities should primarily be for colleagues. In their view we were too much corporatizing what we were doing and loosing focus. Now this may be changing, because people are learning that what the network does is aligned with what the firm does." The consistency between inward and outward looking activities on LGBTI inclusion is therefore seen as strength.

95 Workplace Pride (26 June 2015). Press Release: Special chair for LGBTI workplace inclusion created at Leiden University, Netherlands. Accessed June 2016 at <http://workplacepride.org/wp-content/uploads/2015/06/Press-Release-2015-Conference-Leiden-Chair.pdf>.

96 Ibidem.

7.7.2 Requiring non-discrimination from suppliers

A number of companies are seeking to influence the behaviour of its suppliers by requiring in contracts the compliance with ethical rules and antidiscrimination policies and laws.

Dow has a code of conduct for suppliers which states that “suppliers will not discriminate in any condition of employment on the basis of race, colour, national origin, sex, religion, age, disability, HIV/AIDS status trade union membership, sexual orientation or any other personal characteristic unrelated to job performance, and will comply with all applicable employment discrimination laws.”⁹⁷ New suppliers are always referred to the code of conduct that explicitly mentions LGBTI rights but that code is not yet part of the contracts with suppliers. Dow is working on this.

At Dow, the Code is administered by the Office of Ethics and Compliance, in conjunction with Regional Ethics and Compliance Committees (RECCs), with oversight by the General Counsel and the Audit Committee of the Board of Directors. The RECCs comprise the Country or Regional Leader, along with senior Finance, Human Resources and Legal personnel, and may include other senior employees. The RECCs have responsibility for investigations on Code violations in their geographic regions, with oversight by the Office of Ethics and Compliance. Relevant subject matter experts conduct the investigations. Investigations are conducted in a way that is respectful, confidential and fair. If the investigator substantiates an allegation, an appropriate management team will review the findings and determine the final outcome.⁹⁸

Also IBM has drafted a Code of Conduct for suppliers. Provision 5 dictates that “IBM Suppliers will not discriminate in hiring and employment practices on grounds of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, gender identity or expression, marital status, pregnancy, political affiliation, or disability”. Moreover, Provision 6 on Respect and Dignity prohibits harassment including based on sexual orientation, gender identity or gender expression.⁹⁹ Examples of potential or actual noncompliance, good management practices and assessment recommendations are provided so that suppliers can clearly monitor their own performance.

Cardiff University has an Equality, Diversity and Inclusion Guide for suppliers. The document states: “Equality, diversity and inclusion is important to us at Cardiff University, not only because of the law but also because we feel it makes the way we work and the services we provide better for everyone. If you provide services on behalf of the University you are also expected to follow what the law says and provide services in ‘the Cardiff University way’”.¹⁰⁰ Similar supplier codes of conduct explicitly including provisions against discrimination based on sexual orientation have been adopted also by Ernst & Young¹⁰¹, Apple¹⁰², and PWC¹⁰³ and others (EY and Apple also based on gender identity).

⁹⁷ Dow Chemical Company (2016). Who Can Source. Accessed June 2016 at

<http://www.dow.com/en-us/about-dow/our-company/supplier-information/who-can-source>.

⁹⁸ <http://www.dow.com/en-us/investor-relations/codes-of-conduct/code-of-business-conduct>.

⁹⁹ IBM Corporation (2016). IBM Supplier Conduct Principles: Guidelines. Accessed June 2016 at [http://www03.ibm.com/procurement/proweb.nsf/objectdocswebview/fileibm+supplier+conduct+principles+-+guidelines/\\$file/scpg-v2.0.pdf](http://www03.ibm.com/procurement/proweb.nsf/objectdocswebview/fileibm+supplier+conduct+principles+-+guidelines/$file/scpg-v2.0.pdf).

¹⁰⁰ http://www.cardiff.ac.uk/__data/assets/pdf_file/0018/330930/Equality-Diversity-and-Inclusion-Guidance-for-Suppliers.pdf.

¹⁰¹ [http://www.ey.com/Publication/vwLUAssets/EY-LLP-Supplier-Code-of-Conduct-August-2013/\\$FILE/EY-LLP-Supplier-Code-of-Conduct-Aug-2013.pdf](http://www.ey.com/Publication/vwLUAssets/EY-LLP-Supplier-Code-of-Conduct-August-2013/$FILE/EY-LLP-Supplier-Code-of-Conduct-Aug-2013.pdf).

However, enforcement of supplier codes of conduct is an issue. The most comprehensive supplier codes of conduct should include both auditing mechanisms and grievance and complaint procedures.¹⁰⁴ The codes we found were not all detailed on this aspect or, better said, some of them (e.g. the one from Apple) clearly prescribe such mechanisms to suppliers, but do not specify how to monitor compliance. The effectiveness of supplier codes of conduct is a complex issue which goes beyond the scope of this study. What can be stressed here is that their adoption represents a form of external and public engagement by companies which sends a powerful message.

102 https://www.apple.com/supplier-responsibility/pdf/supplier_code_of_conduct.pdf.

103 <https://www.pwc.com/us/en/about-us/corporate-responsibility/assets/vendor-code-conduct.pdf>.

104 Waggott G., Di Francesco S. (2015),, Corporate Social Responsibility: Creating and Implementing Supplier Codes of Conduct, May 2015.

8 Conclusions and recommendations

After having presented a range of practices and policies implemented by companies in order to promote LGBTI inclusion internally and externally, we highlight in this chapter some key findings and, when relevant, we provide recommendations for the development and actual enforcement of these inclusive measures.

8.1 Majority of good practices to be found in multinationals

Looking at the activities of the different networks of companies and professionals in the European Union (The Exchange Platform for the European Diversity Charters, Workplace Pride, East meets West, Edge, Stonewall, L'Autre Cercle, PrOut at Work and Parks- Liberi e Uguali) and at the organisations that have participated in this study in particular, one can conclude that many good practices have started in multinational companies. The diversity and inclusion policies often originated in the country where these companies are headquartered. Policies have then been extended to offices in other countries. In doing so, the management has needed to roll out global policies and create local diversity offices.

Sometimes initiatives have been extended in the same format across all countries and markets. Sometimes local adaptation has been necessary. In a few cases, an unfavourable national legislative context has hindered the deployment of global policies. In many cases, though, global employers have provided a safe haven for local LGBTI employees by creating more inclusive environments than those that could have been found with local employers. The adaptation of diversity policies to local and national conditions however represents a clear challenge for global diversity and inclusion managers. It is not unexpected – as this happens in several diversity management and corporate social responsibility fields - that larger international companies pave the way in LGBTI inclusion. However, it should not be forgotten that small and medium-sized enterprises (SMEs) play a large role in Europe. For the future development of inclusion policies, it will be important to focus more attention on SMEs and develop practices, methods and tools that are also suitable for them.

8.2 Internally and externally oriented good practices

We have found both company practices that are targeted towards the *internal* organisation and those targeted towards the *external* world.

Examples of *internal workplace* practices are LGBTI employee networks, codes of conduct, company policies and codes of conduct, and awareness raising and training initiatives.

Practices targeted towards the *external* world include those related to marketing and advertising as well as forms of public engagement.

In the cases of companies targeting the outside world, the belief is strong that you cannot have externally oriented policies without having internally oriented policies (practice what you preach). Those companies which had started by having only externally oriented actions noticed that this raised serious questions

from employees because they did not understand why the externally expressed support was not visible within the organisation. It is important to give visibility to LGBTI inclusion policies and be explicit about the importance of LGBTI inclusion. Employees will feel that the company is fully behind LGBTI equality when there is consistency between workplace policies and market and public image

In order to ensure consistency between internally and externally oriented policies, it might be useful to pro-actively engage with the LGBTI community representatives. All stakeholders will value the support (rhetorical, financial and in-kind) of LGBTI organisations and initiatives as it has a direct impact on the long-term effectiveness of the LGBTI workplace inclusion movement.

8.3 No practices towards Intersex people and few practices towards transgender people

None of the companies investigated in this study has performed initiatives towards intersex people. This is not unexpected. The first large study on discrimination of LGBTI people in the European Union, performed by the Fundamental Rights Agency, does not include a focus on intersex people either, and this study was published relatively recently, in 2013. The awareness of policy makers and stakeholders of intersex people's needs and concerns is relatively recent and the knowledge about people with an intersex condition is rather scarce. Transgender individuals are coming more and more to the attention of companies. Some companies recently started with specific measures for transgender employees, others have planned to do so in the near future. However good practices on transgender inclusion are still few. There is the need for much more attention to the transgender and intersex component of the LGBTI population and the specific issues concerning their gender identity.

A systematic approach based on a comprehensive policy is a prerequisite for properly addressing all the components of the LGBTI target group. Companies should adopt a clear policy on diversity and non-discrimination, with clear reference to gender identity and gender expression, and covering all aspects related to the activities of the company. Important elements of such a policy are: HR issues (recruitment, employment, promotions, salary, (sick) leave, family related benefits and other relevant benefits); a detailed definition of non-discrimination and diversity, specifically covering harassment and victimisation; application of the policy to employees, service providers and customers alike.

8.4 Success factors

Throughout the interviews the following success factors were mentioned as essential for the successful implementation of diversity and inclusion measures:

- **Commitment at the top:** almost without exception companies stated that a crucial success factor is the support of the top management. In many cases the attention for LGBTI policies was initiated by a top manager who was personally committed to the inclusion of LGBTI persons in the workplace. When top management shows its commitment, this is an inspiration for others in the company to follow and the LGBTI employees feel very much supported and included. It shows a clear commitment for zero-tolerance for discrimination and practiced action in day-to-day

operations. Top management needs to show that they believe in and support the inclusion of LGBTI employees. Training (top) management to do this as well as possible is crucial;

- **Internal LGBTI networks:** in many companies that we interviewed the employee LGBTI networks are the centre point of LGBTI activities. In some instances the (informal) establishment of the employee network was the first step of working towards inclusion of the target group. In other instances it became the executive organ. Some companies are involved in a larger network with other companies;
- **Diversity & Inclusion policy:** companies have found that having a D&I policy in place makes them a preferred company for some suppliers. Also, by being a welcoming, diverse employer this can increase their attractiveness to talent;
- **Training activities:** they are an important part of shaping the organisational culture. Moreover, they enable a more structural and systematic approach to the sharing of information, knowledge and awareness of the importance of diversity and inclusion;
- **Organisation of artistic and cultural events,** or simply social events involving employees. This is a powerful vehicle for conveying messages related to inclusion and diversity. The inclusion of straight allies, either internally or externally, adds to this in a considerable way;
- **Internal redress mechanisms for discrimination.** This includes clear guidelines, hierarchies and contact persons and protections for those reporting discrimination cases;
- **Guidelines** in particular are an useful tool to create awareness and increase unbiased knowledge on the reality of LGBTI. This has been particularly successful in addressing the inclusion of transgender workers, an area where lack of knowledge and prejudice are high;
- **Physical spaces and symbols:** they have been used effectively to represent a company's inclusive culture and to raise awareness;
- **Role models:** organisations that have a developed LGBTI inclusion policy have become role models for other organisations of the same industry and local area.

For the successful implementation of diversity and inclusion policies, it will be important for companies to pay attention to all these factors and include them in their planning as much as possible.

8.5 Cultural change as a prerequisite for LGBTI inclusion

LGBTI inclusion requires a cultural change. As one of our interviewees stated: "You are never going to get this kind of cultural change if you haven't got a combination of senior management support, active staff and student engagement. The policies and procedures are the first thing that you do, yet they do not have a massive impact on the culture".

This is why, additionally to adopting policies, a number of companies are engaging with awareness raising and training initiatives aimed at positively impacting the culture of their employees, middle managers and senior leaders. Some of these initiatives are promoted in cooperation between LGBTI employees themselves and/or an organisation advocating LGBTI rights at work and the firms that accept to implement them.

In order to achieve cultural change, companies should implement policies on the inclusion of LGBTs into the capillaries of the organisation. A key aspect of

achieving cultural change is how a company addresses stereotypes, negative comments and discrimination. It should be communicated very clearly to all employees, clients and partners that the company stands for diversity and equality and does not allow dismissive comments, hurtful clichés or worse. Training should be provided to the workforce, not only about the importance of diversity and the inclusion of lesbian, gay, bisexual, transgender and intersex persons, but also about how to address stereotypes and negative comments; how to increase awareness of the many invisible hurdles that LGBTI people face; what language should be used, how to address people to make them most comfortable and how to be inclusive in all procedures and communication.

The company's internal and external communication should be LGBTI inclusive. Physical spaces and symbols can be used to affirm the inclusive culture in the company. This can include the reduction of gender-segregated facilities (without compromising on employees' feeling of comfort and safety) or the introduction of gender-neutral bathrooms for example.

8.6 An implicit business case

For our interviewees the main reason to work on LGBTI inclusion is their intrinsic belief that a company that offers a workplace that is safe and welcoming to every employee, will have better results, because employees can get the best from themselves. This was not substantiated by our interviewees with specific financial business calculations. But our interviewees were convinced that there was a positive, though implicit, business case. A few of them have recently included questions on diversity and LGBTI inclusion in their employee satisfaction questionnaire to monitor the effect of their diversity and inclusion policies. While numbers cannot fully represent the beneficial effects of an inclusive culture in a company, it will be important in the future to increase and share the evidence of the (also financial) gains that companies can obtain from eliminating barriers to the full and equal participation of their LGBTI workforce.

Annex I: Bibliography

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Annex II: Methodology

We applied a multi-step methodology to identify and analyse our case study examples. We conducted preliminary interviews with organisations, we consulted international and national networks, we conducted a literature and website research and we made use of the database of Workplace Pride. Below we detail the steps taken.

Preliminary interviews

To get a better grasp of the topic, and obtain information to get us started, we first conducted orientation interviews with ILGA Europe and Transgender Europe. These organisations provided information on useful publications, possible good practices, interesting initiatives and relevant elements for the business case.

Workplace pride database

For this assignment we partnered with Workplace pride. Workplace pride is a non-profit umbrella foundation based in Amsterdam that strives for greater acceptance of Lesbian, Gay, Bisexual, and Transgender people in the workplace and in society. Workplace pride allowed us to make use of their large network of major multinationals, large domestic companies, public sector and non-governmental organisations, and the information they had already collected on them. We used their database to make a first selection of potential good practices.

Consultation of international and national networks

Through the European Commission, we also contacted the technical assistance team of the EU-Diversity Charters Platform Project. We were introduced to the National Charters contact points which were asked to flag potential good practice examples to consider in the study. The National Charters were keen to send our request to their networks and through this channel we received some suggestions of good practices, but mostly received notifications about country networks and interesting publications. Partly through the assistance of ILGA Europe, Transgender Europe, Workplace pride and the European Commission we were able to contact several other sub-regional or national level networks.

East meets West is a Vienna based association, founded in 2013, that wants to be a facilitator of business awareness and experiences among a professional European LGBTI community. It does this by supporting micro business set-ups, especially in Eastern Europe. The idea is to bring these in contact with their counterparts from the West. Through East meets West we contacted five (Eastern) European companies which all participated in the interviews: Austria: Queerbau, Czech Republic: Česká Spořitelna, Italy: Vivo Friendly, Slovakia: Respect App, Switzerland: queerAltern.

Prout at Work is a German foundation dedicated to combating homophobia and discrimination at the workplace through research, media work and events, and production of awareness raising materials. It offers the Proutemployer programme as a way for companies to demonstrate and publicise their engagement in diversity and inclusion. A number of important national and international companies are part of Prout at Work. Among others, Prout at Work put us in contact with SAP and Deutsche Post.

Out Leadership. This network was founded in 2011 and is the first global LGBTI leadership organisation for both the financial and the legal industry. It is based in New York and has engaged with member organisations throughout Europe, Asia and North America. Via Out Leadership we contacted two international

companies. Although both companies were very enthusiastic about the EC study, unfortunately due to a busy schedule they could not participate in an interview.

Parks Liberi e uguali. This Italian network associates employers willing to promote LGBTI inclusion and global inclusion. Besides its own members Parks also works with other companies, universities, media outlets, associations, and the public administration. Its activities include training, knowledge sharing, consultancy, event organisation, and internal surveys.

Edge is the first Italian lobby of LGBTI entrepreneurs, professionals and managers for the recognition of richness in diversity. A member who is also an interviewed small entrepreneur suggested further contacts leading to an international group.

Stonewall. This association, based in the UK, was founded in 1989, to support Lesbian, Gay and Bisexual persons in the UK and abroad. In 2015 it also included Transgender persons in its work. Each year Stonewall performs its Workplace Equality Index and launches the Top 100 Employers list. We have had several contacts, both via e-mail and telephone, but this did not lead to any contacts with employers in their network.

L'Autre Cercle. The main goal of this French association is to combat discrimination in the workplace. We tried to contact l'Autre Cercle but we did not receive a response. We also contacted the Human Rights Ambassador of the Netherlands, who put us in contact with Out Leadership and provided us with promising examples in his own network. Besides him, we contacted COC (Dutch national association for LGBTs) and the Fundamental Rights Agency to find more promising examples in companies. They forwarded our request to Stonewall in the UK, with whom we were already in contact. To find promising practices in the sports world, we contacted NOC*NSF and Women Win (global leader in girl's empowerment through sport). Via Women Win we contacted Nike. Nike declined by explaining that the company never shares information on internal policies with external stakeholders. The same was the case for Adidas.

Literature and website search

Besides the contacts with organisations and networks we collected and analysed international literature and studies on the topic of LGBTI inclusion within companies. We furthermore conducted a thorough search on the websites of companies that had promoted initiatives which could potentially be included in the study as good practices. A specific website search was conducted in order to find examples pertaining to the marketing/services and products type.

Long list of practices

These research activities allowed us to compile a long-list of 57 promising initiatives. They were explored on the basis of the information made available by the networks or other secondary sources (websites). The long list was filled with the available information on the background and context of the initiative; a first business case analysis (why the tool/measure was promoted, with focus on economic arguments); the objectives; the various activities undertaken; and, a provisional classification into a list of predefined categories (monitoring, self-regulation, incentives, training and awareness-raising, networking of LGBTI people in companies, marketing and communication campaign).

Company case studies

Next, we conducted interviews to gather more in depth information on the identified initiatives. In general, the contacts have been willing to participate in

the study and to disclose their activities and initiatives to reach inclusive workplaces. The following companies were part of our study¹⁰⁵:

Cardiff University	Viacom
KPMG UK	Vivofriendly
SAP	Accenture
Queer Altern	Aegon
Erste group bank AG/ Česká Spořitelna a.s	Cisco
Barilla	Daimler
Ireland Prison Service	Dow
PostNL	IBM
PWC	ING
Queerbau	KPN
Respect APP	

In the following sections we discuss the drivers and motivations behind the companies' focus on LGBTI inclusion, and the different types of activities they deploy.

High interest to participate in the study.

This study on the business case of diversity for enterprises, cities and regions with focus on sexual orientation and gender identity, highly motivated companies and networks of companies that we have approached to participate. In first instance almost every network and company wanted to understand the purpose of the study and the way the outcomes would be communicated, stating that they were not interested to participate in a benchmark between companies. The fact that the purpose of the study was to highlight interesting practices on LGBTI inclusion within companies caused a big willingness in networks to provide entrance to their members and companies were proud to share their experiences. Some companies got us into contact with other companies that they knew were active on LGBTI inclusive policies. As a result there as an unexpected but very much appreciated snowball effect.

Not every company that we have approached was able to participate. In several cases it was impossible to find the right person to speak with because it was unclear from the website or other public information about the company whom we should approach. The people we did reach in these companies could not tell us either who was the right person to approach. In some cases companies had the policy not to speak with outsiders about their internal policies or they thought they had too little internal historical knowledge on the topic. In some cases companies were sorry not to be able to participate due to a lack of time. But without almost any exception networks and individual companies that we have spoken with have expressed their support for this initiative of the European Commission.

In one instance a company had to withdraw from the study after having participated in the interview. Despite the companies' good efforts in improving LGBTI inclusion in the company they have requested that we do not to publish any information about their efforts and role concerning the inclusion of LGBTI people in the workplace. Due to the very sensitive nature of the topic and the rough past this company had in dealing with the issue, they are very careful with

¹⁰⁵ We had conducted an additional case study but in a later stadium the company preferred their case study not to be included in the report.

being named in external publications. There was unfortunately too little time to have the publication thoroughly vetted internally and to get approval of the top management. This incident illustrates the sensitivity of the topic and illustrates the challenges a company can face when working on a LGBTI inclusive working environment.

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