



Diversity as HR Strategy

Fair Workplace Policies Can Attract, Retain Overlooked Talent

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Most California employers understand the costs associated with discrimination against lesbian, gay, bisexual and transgender (LGBT) employees, who together constitute a protected class in the state. But in the pitched battle for talent not all businesses realize the importance of a welcoming environment for LGBT workers, say management consultants, LGBT professionals and HR managers.

By offering comprehensive domestic partner benefits, creating and enforcing policies that foster a culture of acceptance, and supporting LGBT employees and other diversity groups businesses can access a broader talent pool, experts and LGBT workers say.

Gay and lesbian professionals cite workplace unfairness as the only reason for leaving a company nearly twice as often as white heterosexual men, while nearly half of them say better benefits – particularly domestic partnership benefits – would have prevented them from leaving, according to the 2007 Corporate Leavers Survey, conducted by the San Francisco-based Level Playing Field Institute (LPFI).

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– Freada Kapor Klein, Level Playing Field Institute

“The best and brightest talent comes in many different packages,” says Freada Kapor Klein, founder of the non-profit LPFI. “[LGBT workers] are going to go someplace where they can be out, comfortable and don’t have to check themselves at the door.”

Reevaluating Benefit Packages

One of the more obvious ways to attract and retain LGBT workers is to offer benefits to domestic partners in the same manner they are offered to wives and husbands, sources say. San Francisco-based Levi Strauss & Co. was the first Fortune 500 company to offer such benefits in 1992, claims E.J. Bernacki, the company’s director of communications.

“Anecdotally, I can tell you that people stay here for a long, long time,” says Bernacki, who did not have statistics to quantify whether the policy aids in recruiting and retention.

One gay employee at a Fortune 50 company, who was interviewed for the Corporate Leavers Survey, explained how his employer had talked about domestic partner benefits for more than a year but never acted. The company did, however, fast track a generous but arguably dubious benefit.

“While they were still debating about whether they should cover or not cover domestic partners, they did implement pet insurance coverage,” says Klein, who says the employee promptly quit after learning about it.

But just offering health coverage for domestic partners doesn’t always mean they are entitled to benefits on

par with those enjoyed by married couples, says Rick Moran, an openly gay VP of market management for San Jose-based Cisco Systems Inc.

Since 2001, Cisco has focused on making sure its benefits go beyond just medical insurance, Moran says. His colleague Rob Adkisson, an openly bisexual marketing manager in a committed same-sex relationship, says Cisco's benefit package extends medical leave and adoption assistance to LGBT employees, as well as medical assistance for transgender employees.

"By complete, I mean everything you would get as a married couple," Adkisson says. "A lot of employers don't look at the needs of a family."

Empowering LGBT Employees

Another Silicon Valley powerhouse, Redwood City-based computer game publisher Electronic Arts Inc., also takes LGBT diversity very seriously as a business concern, according to Colleen McCreary, EA's director of corporate HR and diversity. As with Cisco, EA has representatives of the LGBT community among its executive ranks.

McCreary describes EA's openly diverse culture as critical to the company's success, and to attracting a vibrant, diverse and creative talent pool. In addition to offering a full plate of benefits for LGBT workers, EA offers a corporate-wide, executive-sponsored intranet called "Gaymers" and generally encourages its LGBT employees to be completely out with their sexual orientation. Additionally, she says, all employees are encouraged to make diversity and acceptance a top priority.

"This is a company where you would find a very vocal community of employees who are not LGBT but would nevertheless support their gay and lesbian colleagues," McCreary says.

EA's code of conduct is enforced partly by an open-door policy, whereby any concerns about bias that otherwise might not rise to the level of liability can be addressed with management, McCreary says. Also, she says, EA requires managers to take regular refresher courses on how to respond to various hypothetical personnel situations, including LGBT-specific issues.

Cisco employees started an informal LGBT discussion group in the early 1990s, Adkisson says, which received formal support from the corporate level in 2001. With the blessings and material support of management, the largely grassroots group became more engrained in business practices, he says.

"We've gone from being an informal network of social activities to becoming a much more formal organization around employee recruiting and retention," Adkisson says.

Another way to empower LGBT employees is to take stances on potentially controversial issues that are important to those communities, Bernacki says. Levi's, he says, was the only private sector organization to sign onto a legal brief supporting a California Supreme Court decision that would have legalized gay marriage. And despite generating "thousands of pieces of hate mail," Bernacki says, Levi's stopped donating to the Boy Scouts of America after it refused to sign the company's non-discrimination clause.

The Cost of the Closet

Some LGBT professionals are understandably scared about coming out of the closet, for fear that it will create conflicts with colleagues or even hurt their ability to advance their careers, says Tom Floyd, founder and CEO of San Jose-base Insight Educational Consulting and an openly gay volunteer for the Human Rights Campaign, an LGBT rights lobbying group.

So even though a company may offer domestic partnership benefits and other LGBT-friendly accommodations, Floyd says these subtler issues can limit a professional's productivity and development.

"Oftentimes, there are a lot of soft reasons. I think the biggest one has to do with comfort level," Floyd says. "There is an interesting phenomenon called 'the cost of the closet.'"

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– Tom Floyd,
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Floyd says he dealt with these issues frequently before coming out himself. For example, a simple question like, “What are your plans for the weekend” often created stress, as his answers could imply sexual orientation, he says. And since the workplace often spills over into peoples’ private lives – office parties, for example – closeted individuals tend to sacrifice career advancement by sidestepping important social functions.

“Regardless of their sexual orientation, someone who is viewed as a lone ranger, so to speak, is not going to be as inclined to get involved in activities that require socializing,” says Floyd, describing the difficulty of explaining who your “friend” is or why your spouse couldn’t join you.

Nathan Bullock, a gay university administrator in New York, says he wants to be treated like everyone else in an organization, with access to domestic partner benefits and a workplace free from discrimination and based on dignity and respect. But the importance of being open with his sexual orientation, he says, cannot be overstated.

“You want to be able to just be yourself: Have a partner, do the same things with that partner that a straight/married person might do, have photos on your desk, talk about what you did that weekend,” says Bullock, responding to a California Executive posting on Craigslist. “Basically, just to do the same things as everyone else without fear”

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As a consultant who often reviews workplace data, Floyd says a majority of Fortune 500 companies become successful “not just by showing support of LGBT employees, but by creating a diverse workplace in general.” Prospective LGBT employees, and anyone for that matter, can check HRC’s online Corporate Equality Index for a rating of how well a corporation supports LGBT workplace diversity. Levi’s, Cisco and EA all score a perfect 100%.

Regardless of what seems ethical or even politically correct, sources say businesses that follow the lead of LGBT-friendly corporations will have better odds in attracting, retaining and getting the most of their employees. The second part in this two-part series will explore formal diversity programs, which a new study concludes are often poorly executed and ill received.

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