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## **EXECUTIVE DIVERSITY: THE BUSINESS CASE FOR LGBT DIVERSITY**

**‘WHEREVER THEY MAY BE, THE CHALLENGE IS TO  
FIND THE BEST’**

Dina Medland October 22, 2013



Neil Bentley, chief operating officer at the CBI, sees passive acceptance of diversity giving way to positive action to end discrimination

The business case for lesbian, gay, bisexual and transgender diversity at work is simple: it's all about productivity.

“Gay people in the workplace are more efficient and motivated when they can be themselves and are relaxed with colleagues and their employers,” says Neil Bentley, deputy director-general and chief operating officer at the CBI, the UK employers’ organisation.

“It’s very important that people don’t hold themselves back, thinking, ‘I can’t succeed because I’m gay’,” he says.

Figures from the UK Office for National Statistics suggest about 750,000 adults in Britain say they are gay or bisexual – roughly 1.5 per cent of the adult population. But the figure might be much higher, with the government using figures between 5 per cent and 7 per cent when introducing civil partnership legislation.

The ONS also recorded gay people as being better educated, with 38 per cent holding a degree, and more likely to be in managerial or professional occupations – 49 per cent compared with 30 per cent for straight workers.

Mr Bentley believes that the recent national debate on [equal marriage](#) has demonstrated an important social shift in the UK. “It’s no longer just about acceptance of sexual diversity but about actively saying that you cannot discriminate in this way,” he says.

“If we don’t have an inclusive environment we won’t attract the best. We need to understand the needs of a globally segmented marketplace to drive market share,” says Mark McLane, head of global diversity and inclusion at Barclays. The retail bank recently launched a television advertisement around personalised debit cards that included a gay couple.

“Only by understanding the needs of any customer segment can we become the ‘go-to’ bank for the community,” adds Mr McLane.

While consumer-facing businesses must reflect their markets, having visible diversity at the top of an organisation also sends a clear message on inclusion. This can give rise to benefits: supportive employers earn employee loyalty, which can help with recruitment and retention.

At BP, Paul Reed is chief executive of the energy company’s integrated supply and trading division, which operates large trading floors around the globe. “We are BP’s face to the outside world,” he says. “The reputation of trading floors is that it’s a very macho environment – but that is different from the reality. Even so, a number of people coming on to a trading floor choose to hide their sexuality.”

As an openly gay man, his leadership role makes the company’s position clear, yet he is aware of other gay people who have not come out at work. “There is still a slight fear in disclosure, and the more role models we have, the more comfortable people can feel in their job with no need to put up a façade. We want them to feel they are bringing themselves to work,” says Mr Reed.

Getting that message across, he concedes, is not easy. When touring universities as part of the annual recruitment “milk round”, he often finds that “a lot of people don’t believe it”. He welcomes efforts by organisations such as Out on the Street and OUTstanding in Business to promote a much more diverse workforce.

Mr Bentley at the CBI adds: “There is a huge debate going on now about being authentic in the workplace. From a customer relationship management point of view, relationships matter. Who you are, and the use of social media to reflect that – all these things are playing into the workplace.”

Businesses coming to terms with how best to reflect LGBT diversity need to keep up with rapid social change and demands for transparency. However, global organisations working to enhance their image also have to be aware of the limitations to their power and influence.

“International business has to accept that we must always respect the laws of the land where we operate but companies have global programmes that are important to employees,” says Mr Bentley.

Mr McLane at Barclays adds: “You can’t dictate any aspect of diversity. But we have an obligation as an organisation to partner with suppliers so they understand our position and voice. In terms of the supply chain, we listen to their challenges in order to come up with a solution together.”

Barclays has so far concentrated its LGBT initiative in Europe, the US and Asia. Working with the charity Community Business, it sponsored the Hong Kong LGBT Climate Study 2011-2012, described as “the first study of its kind initiated by a non-government organisation and focusing on the subject of sexual orientation and gender identity as it relates to the business sector”.

By providing a picture of the current climate in Hong Kong for LGBT individuals, it points to both the challenges and opportunities for employers. The bank is now in the early stages of building an LGBT diversity initiative in Africa. Through the use of a smartphone app, it is also developing an internal LGBT employee network with global reach.

Leading LGBT business figures tend to be male, which might be partly because women can be victims of discrimination on the grounds of both gender and sexuality, according to research by the Center for Talent Innovation, a not-for-profit consultancy.

Its report, *The Power of ‘Out’ 2.0: LGBT in the Workplace*, suggests women suffer from a “double whammy”. It says: “LGBT women are more likely than men to experience discrimination because of the double jeopardy of gender as well as sexual orientation (74 per cent of lesbians compared with 51 per cent of gay men).” The research says coming out is an asset that “can and must be leveraged”.

Chris Crespo is an EY director and co-founder of Beyond, a network that supports and promotes the professional services firm's LGBT-inclusive culture. She believes sponsorship, support and transparency for LGBT women is essential to allow them to fulfil their potential within any business.

When the campaign for gender diversity is added to the mix, the already powerful business case for LGBT diversity becomes overwhelming.

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