Self-Identification of LGBT Employees

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**Introduction**

In 2012, Gallup released the results of a new question on sexual orientation that revealed that 3.4 percent of U.S. adults identify as lesbian, gay, bisexual or transgendered. Ninety-two per cent of adults did not identify, while 4.4 percent either “didn’t know” or refused to answer the question. The findings were based on 120,000 interviews and dovetail with the 3.8 percent average of a group of earlier, smaller surveys conducted by various entities in the United States from 2004 to 2008.

According to Gallup, “Exactly who makes up the LGBT community and how this group should be measured is a subject of some debate. Measuring sexual orientation and gender identity can be challenging since these concepts involve complex social and cultural patterns. As a group still subject to social stigma, many of those who identify as lesbian, gay, bisexual, or transgender may not be forthcoming about this identity when asked about it in a survey.”

Harris Poll’s 2014 *Out & Equal Workplace Survey* shows that 55 percent of Americans don’t believe that employers should be exempt from complying with basic workplace safeguards for LGBT Americans. Such protections are stipulated in the 20-year-old Employment Non-Discrimination Act, despite the efforts of some organizations to gain religious exemptions that could negatively impact LGBT employees and potential employees.

This report provides an overview of the issue of self-identification for LGBT employees. It explains some of the difficulty in gathering information on the sexual orientation of employees, provides examples of how companies collect statistics on their LGBT workforce, and shares the practices of specific companies.
Pros and cons of staying in the closet at work

In pop culture, we see more and more celebrities, athletes, and political figures who openly identify as gay, lesbian, bisexual, and even transgendered – with little or no affect to their careers. However, the picture may be very different for the average American worker.

A recent study reveals that “out” LGBT workers continue to face bias and discrimination in recruitment and hiring, on-the-job inequality, unfair firing, and wage gaps and penalties. The study, *A Broken Bargain: Unchecked Discrimination Against LGBT Workers*, was a joint venture between Movement Advancement Project, the Center for American Progress; Freedom to Work; and the Human Rights Campaign (HRC), in partnership with the National Center for Transgender Equality and Out & Equal Workplace Advocates.

The study said that, among LGBT workers, only 29 percent of White workers, 25 percent of Black workers and 18 percent of Latino workers are out to everyone at work. Twenty-eight percent of LGBT workers reported being passed over for a promotion because of their sexual orientation.

The peril for self-identifying LGBT individuals is economic as well: 26 percent of transgender respondents reported that they lost a job because of their gender identity. In addition, 15 percent of this group has a household income under $10,000, compared to 4 percent of the general population. Men in same-sex relationships make $3,000 less annually than men in relationships with a woman. ³

Individuals who conceal their sexual orientation or gender identity on the job are more likely to leave a company, according to several surveys, creating a talent gap for companies and reducing career continuity and advancement for LGBT employees. The HRC has found that closeted workers are more likely to avoid interactions with certain clients they fear may react negatively to them, avoid social events where they don’t feel
comfortable bringing their same-sex partner, and report feeling “tired, unhappy and depressed.”

Deloitte’s University Leadership Center for Inclusion, the group for diversity and inclusion research and consulting, reports that lesbian, gay and bisexual employees who are not out at work — going so far as to modify their dress and mannerisms — are not as committed to their organizations because they don’t feel they can advance if they bring their whole selves to work.

In a report sponsored for Catalyst by Scotiabank on building LGBT inclusive workplaces, Catalyst found that a lack of awareness about LGBT workers, and who they are as unique individuals, may cause other employees to rely on stereotypes. The situation can lead to a hostile work environment for LGBT employees where they experience discriminatory behaviors such as inappropriate humor and derogatory language.

According to Deborah Gillis, vice president, North America Catalyst, “LGBT-inclusive workplaces can increase employee engagement by allowing employees to be authentic and spend less time self-editing. That reduces costs by decreasing turnover.”

**Methods of LGBT employee self-identification**

While employers are not required to collect statistics on the number of LGBT people they employ, some companies still try to determine the number of LGBT-identified workers while balancing privacy concerns, according to the HRC.

Some employers use LGBT employee group membership numbers to generate estimates. Others gather statistics through anonymous employee engagement or satisfaction surveys and confidential and secure employee records. In both cases, self-identification is optional and voluntary and any reporting or direct access to the data is designed to ensure confidentiality.
The 2012 LGBT Employee Resource Group Survey revealed that organizations and employee resource groups track LGBT-identification through a number of sources, including ERG mailing lists (28.6 percent); anonymous LGBT self-identification on companywide employee engagement surveys (18.6 percent); ERG surveys of members (10.4 percent); domestic partnership benefits enrollment (8.6 percent); and confidential self-identification in HR records (8.4 percent). More than 48 percent of organizations and ERGs said they did not track LGBT employees. 7

The HRC’s Corporate Equality Index 2013 survey of 688 employers found that 82 percent of surveyed employers had LGBT resource groups in 2013, a percentage that has more than doubled since 2002. Yet only 7 percent of LGBT employees 18 to 24 years old are open at work, compared to 32 percent of 35- to 44-year-olds. 8

The 2013 HRC survey also found that 44 percent of companies allow employees to voluntarily disclose their sexual orientation and gender identity on anonymous surveys or confidential human resources records, compared with 141 of the 519 employers (27 percent) in the 2008 survey and just 17 percent in the 2006 survey. 9

Company examples

At KMPG, employees are actually encouraged to be open about their sexuality; the company offers tax benefits for same-sex domestic partners and also is open about identifying senior leaders who are part of the LGBT community. 10

KMPG has long had a policy of acceptance and inclusion for LGBT employees and encourages employees from the start of their employment to be out within the organization. The firm has created a national diversity advisory board and includes sexual orientation and gender identification as topics in the company’s mandatory diversity training. In addition, in 2005 the company supported LGBT employees in establishing pride@kpmg, an employee resource group that focuses on creating social support, mentoring, and networking for LGBT employees.11
Starting in 2007, KPMG employees were given the option of self-identifying during the company’s annual Employee Work Environment Survey. In 2011, new hires were given the opportunity to self-identify on joining the firm. In 2012, all partners and employees were given the opportunity to self-identify. KMPG also offers a self-identification option in the hiring and annual review process. ¹²

Booz Allen Hamilton offers LGBT employees a chance to self-identify on a “post-employment” survey, which also records information regarding gender, ethnicity, disability, and veteran status. By allowing employees to self-identify as LGBT, the company reinforces — for all employees — that LGBT policies are important and signals to LGBT employees that they are free and encouraged to be out on the job.

As a result of these efforts, Booz Allen Hamilton achieved a 100 percent score on the HRC’s Corporate Equality Index, and continues to further its LGBT policies, including instituting policies for transgender employees that include coverage for gender reassignment surgery and hormone therapy. ¹³

In summer 2014, Bank of America began a campaign to give LGBT employees the opportunity to self-identify via employee surveys so that the company can see the distribution of LGBT-identified employees across IBM’s various business areas and at different levels of the organization. ¹⁴

As far back as 2006, IBM, which produces an LGBT-specific annual report, instituted a LGBT Indicator in its “About You” HR system, allowing employees to self-identify. ¹⁵

The LGBT Indicator also links to IBM’s Business and Technical Leadership Talent (BTLT) database for analysis. Self-identified LGBT employees and executives approve the linkage of their information to the BTLT data, which allows for broad data analysis of such metrics as employee’s “ultimate potential,” next-move timeframe, and the current executive role pipeline. ¹⁶
Not all self-identification efforts meet with approval among employees and the LGBT community at large. In 2014, a major financial services firm found itself at the center of controversy about self-identification when the company “refused to confirm or deny” that it had asked questions related to sexual orientation or allegiance to the LGBT community in an annual employee opinion survey.

It was reported to the press that the survey asked “Are you a member of the LGBT community?” and “Are you an ally of the LGBT community, but not personally identifying as LGBT?”

Though the company said the annual survey was voluntary and confidential, concerned employees reported that the survey included employee ID numbers. Some gay activists and others in the LGBT self-identified community have expressed skepticism about the survey and its aims. 17

**Conclusion**

A growing number of lesbian, gay, bisexual and transgendered Americans feel they have gained more acceptance in society over the past decade and expect that acceptance to continue and increase over the coming decade, according to a 2013 survey by Pew Research. LGBT individuals attribute this optimism to factors such as more straight people personally knowing and interacting with someone who is LGBT at work or in their personal lives, advocacy by public figures, and LGBT individuals marrying and raising families.

Though 21 percent of LGBT people say they have been treated unfairly by an employer, 16 percent said the treatment did not occur in the past year and only 5 percent said they were treated unfairly within the past year.

Clearly, strides have been made in making LGBT employees feel safe and welcome in the work place and allowing them to speak their truth by self-identifying, as the company’s cited in this report demonstrate. However, much work is still to be done, as
57 percent of LGBT individuals site equal employment rights as the No. 1 issue that should be a “top priority” for the community.  

According to Winnie Stachelberg, executive vice president of external affairs at the Center for American Progress, “Right now, 18 states plus Washington, D.C., ban discrimination against LGBT people, linking arms with roughly 9 out of 10 of America’s largest employers that have found that fair and equal treatment also makes for good business. We must redouble our efforts to ensure that no American can lose their job simply because of who they are or whom they love.”

Endnotes
