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Corporate LGBT policies drive social change



A Nissan assembly plant.

What's driving more and more companies to implement policies that benefit lesbian, gay, bisexual and transgender workers? Many corporate representatives say it's just good business sense – such policies help attract a wider range of customers as well as skilled employees.

According to the Human Rights Campaign Foundation, a record 304 Fortune 500 companies achieved a top rating of 100 percent in its latest Corporate Equality Index. In the first

CEI in 2002, just 13 companies achieved a perfect score.

To receive that perfect score, according to the Washington, D.C.-based HRC, a company must provide same-sex partner health benefits, have a non-discrimination policy to protect LGBT employees, offer transgender-inclusive medical insurance, have company-wide LGBT initiatives, and publicly support LGBT equality.

More companies of all sizes are recognizing that equality “is not just the right thing to do, it is sound business practice,” said HRC’s Workplace Equality Program Director Deena Fidas.

In the process, not only are companies expanding LGBT benefits and non-discrimination policies for their own employees, but they are “becoming social and public policy change agents.”

In part that's because the existing patchwork of state and federal laws “creates a lot of barriers to the movement of workers across the U.S.,” according to Fidas.

There is no federal law that consistently protects LGBT individuals from employment discrimination, according to HRC, and there are no laws in 29 states that explicitly prohibit discrimination based on sexual orientation.

“If I am a major employer in Florida and I’m trying to recruit a high-level computer scientist from New York, who happens to be gay, it’s harder to say leave a state where you have benefits to come to Florida, a state that doesn’t recognize” LGBT concerns, Fidas said.

Reflecting customer base

For San Francisco-based Union Bank, its perfect CEI score shows that the bank has “worked diligently to create a welcoming culture that enables us to attract, develop and retain diverse talent, respond to broad customer segments and partner effectively with our communities, including the LGBT community,” said Union Bank Senior Executive Vice President and Chief Human Resources Officer Annemieke van der Werff.

Nissan also received a perfect CEI score of 100, up 70 points from two years ago, marking one of the fastest rises in the history of the index.

“Nissan has one of the most diverse customer bases in the auto industry,” said Travis Parman, director of corporate communications for Nissan Americas in Nashville, Tenn., and the company wants to ensure that its internal culture reflects that diversity.

Much credit for Nissan’s quick rise to the top of the corporate equality index goes to the Gay-Straight Alliance at Nissan (GSAN), which was formed in late 2012 with only about a dozen Nissan employees, said Parman, who is executive sponsor of the group. Since then, GSAN has expanded to nearly 100 members, making it one of the fastest-growing and most engaging of Nissan’s employee resource groups.

GSAN has been key in getting a variety of teams to work together to establish Nissan’s presence at community activities, increasing awareness and driving sales, he said. GSAN members have worked with sales operations teams to develop a way to track purchases driven by Nissan’s involvement in the community, and the company already has seen a measureable return on investment in events such as Pride festivals.

A way to stand out

Industries that can claim the highest percentage of companies with perfect corporate equality index scores include the legal profession, according to HRC.

For a law firm, a high score can be a way to differentiate itself in an intensely competitive marketplace, according to Lori Lorenzo, deputy director of the Leadership Council on Legal Diversity. The council works to develop strategies to increase diversity in the legal profession.

Many law firms feel pressure to match the initiatives of their clients, Lorenzo said. “Clients are in the driver’s seat. They have the ability to say: These things are important to us and because they are important, we are going to choose vendors – including law firms – in line with our values. ... Law firms can say we echo those values.”

The HRC corporate equality index has become an especially popular way for law firms to benchmark themselves, “because they are objective and attainable measures,” Lorenzo added. “Firms can say: We will look at it, analyze it, and then do it.”

At the other end of the spectrum, ExxonMobil received the lowest score of any company – a negative 25. HRC deducted the extra points this year because shareholders once again voted against adding sexual orientation and gender identity protections to the company’s workplace policies.

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