

BREAKING THROUGH THE GLASS CEILING

June 14, 2019

Vienna, Austria

Session: Channels of Influence

More and more Corporate businesses recognize they have the responsibility and the power to drive social change, also for the LGBTI community. Diversity Charters and the UN Standards of Conduct define how to act in the Public Sphere on LGBTI Inclusions and an increasing number of companies sign such declarations. Unfortunately, sometimes Corporates turn this support into pure commercial gain, called 'Pinkwashing'. By providing a framework of so-called 'Channels of Influence', Open for Business shows how Corporates can and should use their leverage.



Jon Miller

Founder of Open for Business and Partner at Brunswick,
The United Kingdom

<https://youtu.be/nISFNo1K3Ys>

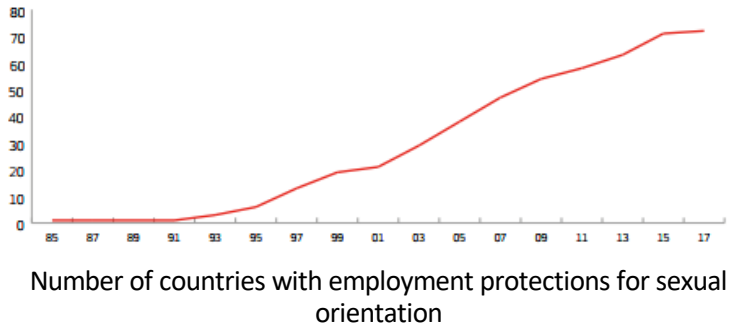
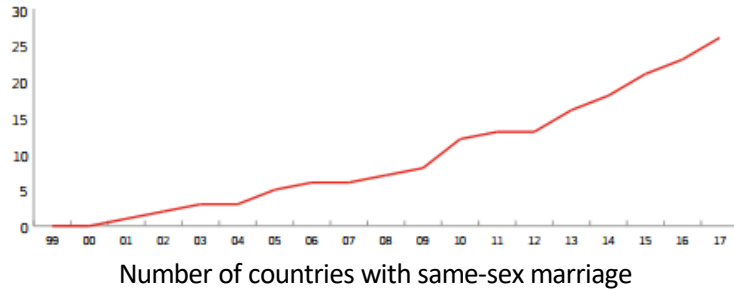


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Globally, most countries are progressing on LGBT+ inclusion...



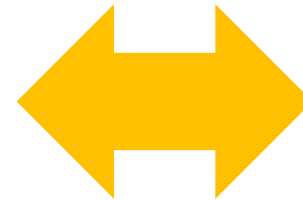
...But many countries are reinforcing their anti-LGBT+ positions

Since 1980: levels of acceptance have become more polarized, with a sharp decrease in the least accepting countries.



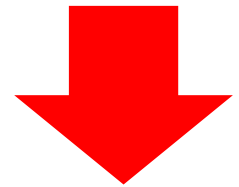
55%

of countries
increased in
acceptance



12%

of countries
experience no
change



33%

of countries
decreased in
acceptance

accenture



BCG

BRUNSWICK

BURBERRY
LONDON ENGLAND



Deutsche Bank

DIAGEO



Google



IBM

INDITEX



LinkedIn

Linklaters



McKinsey
& Company



RELX Group



TESCO

THOMSON REUTERS

Virgin

wework

**How can companies
promote LGBT+
inclusive societies?**





Value Chain Channel

The Value Chain Channel includes a company's supply chain and distribution networks, as well as the end-buyers of its products and services – customers, clients and consumers.



Financial Channel

The Financial Channel includes banking partners that provide financing lending and services (such as payroll), as well as investors (asset owners and managers) and direct investment.



Public Policy Channel

The Public Policy Channel includes relationships with public officials, governments, politicians and policymakers, as well as relevant industry regulators and national human rights institutions.



Civil Society Channel

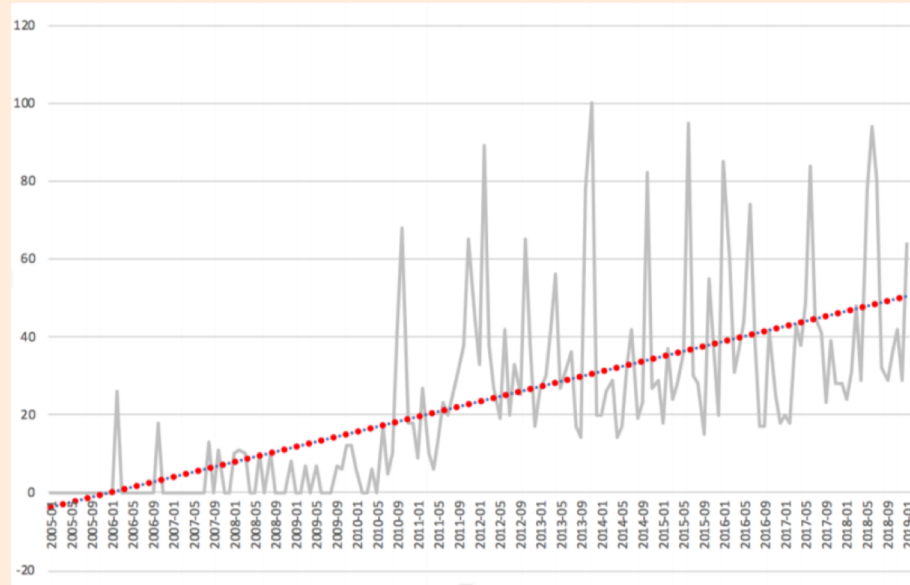
The Civil Society Channel includes the civil society groups and NGOs that a company interacts with, the various communities that surround the business, and the media.



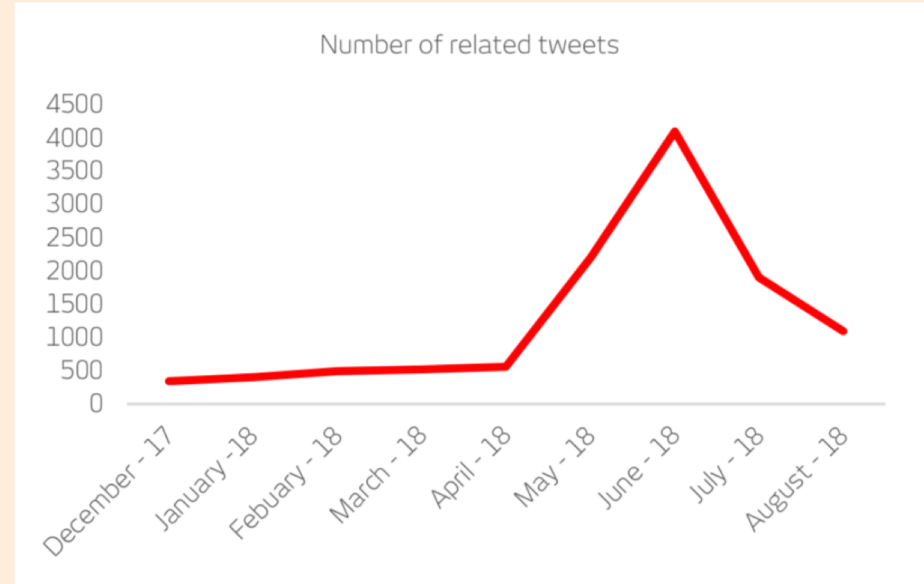
Industry Channel

The Industry Channel includes any professional bodies or industry associations that a company or its employees may participate in, as well as Chambers of Commerce and Trade Unions.

Increasing concern about pinkwashing



According to data from Google Trends, web searches for the term "pinkwashing" have increased steadily over recent years, indicating a growing concern that LGBT+ issues are being co-opted. The regular "spikes" in this data reflect increased interest during the annual Pride season.



Analysis of Twitter data using the terms "pink washing" or "pinkwashing" or #pinkwashing between August 2017 and January 2019 shows a clear spike around June, which is the annual Pride season in many countries.

What is the economic and business case for LGBT+ inclusion?



**ECONOMIC
PERFORMANCE**

**BUSINESS
PERFORMANCE**

**INDIVIDUAL
PERFORMANCE**

Proposition 1: Competitiveness

Proposition 2: Entrepreneurship

Proposition 3: Corruption

Proposition 4: Foreign Direct Investment

Proposition 5: Global Markets

Proposition 6: Brain Drain

Proposition 7: Public health

Proposition 8: National Reputation

Proposition 9: National Productivity

Proposition 10: Urban Economic Growth

Proposition 11: National Economic Growth

**ECONOMIC
PERFORMANCE**

**BUSINESS
PERFORMANCE**

**INDIVIDUAL
PERFORMANCE**

Proposition 12: Attracting Talent

Proposition 13: Retaining Talent

Proposition 14: Innovation

Proposition 15: Collaboration

Proposition 16: Customer Orientation

Proposition 17: LGBT+ Consumers

Proposition 18: Brand Strength

Proposition 19: Financial Performance

**ECONOMIC
PERFORMANCE**

**BUSINESS
PERFORMANCE**

**INDIVIDUAL
PERFORMANCE**

Proposition 20: Authenticity

Proposition 21: Motivation

Proposition 22: Affinity

Proposition 23: Satisfaction

Proposition 24: Health

Proposition 25: Speaking Up

Proposition 26: The Extra Mile

Proposition 27: Individual Productivity

Proposition 1: Competitiveness

LGBT+ inclusive countries are more likely to have the institutions, policies and infrastructure that allow them to grow sustainable economic prosperity.

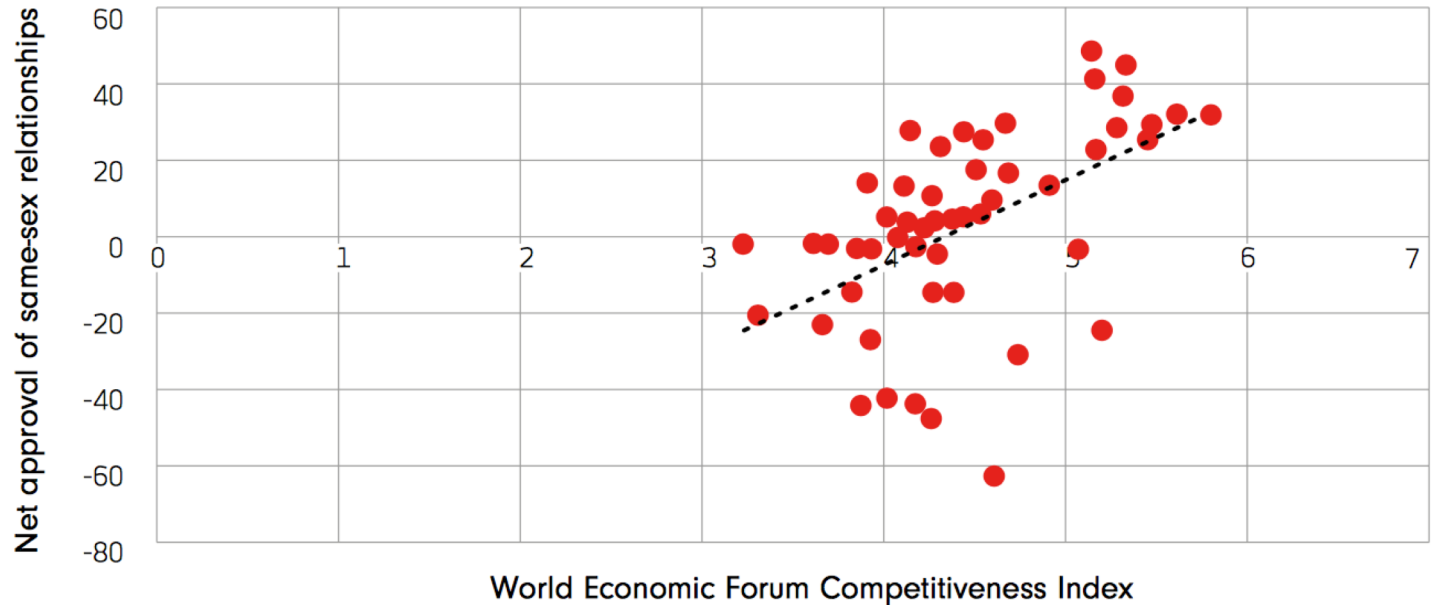
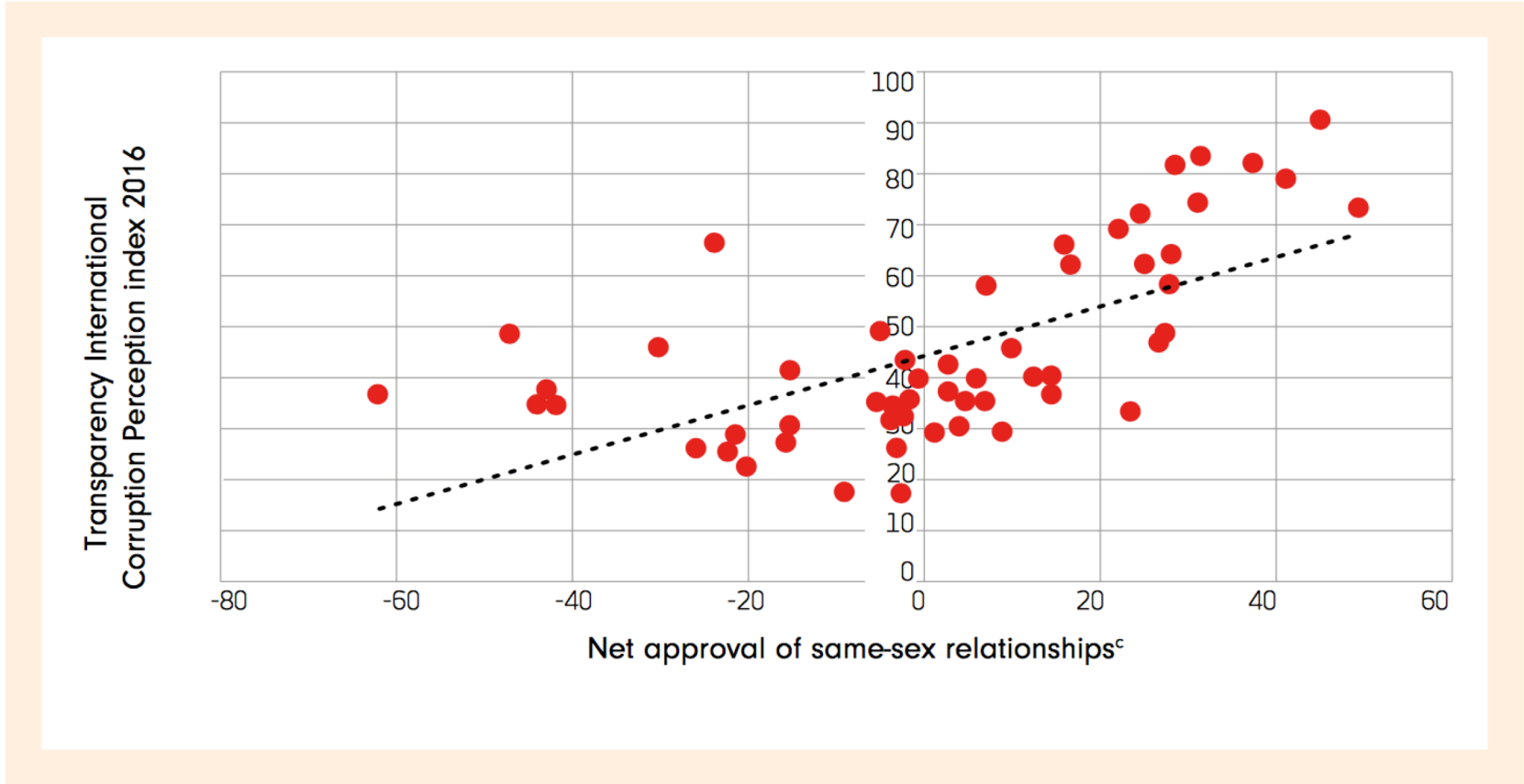


Figure 1: LGBT+ Inclusion and Competitiveness

Proposition 3: Corruption

LGBT+ discrimination often goes hand-in-hand with corrupt practices and a lack of openness



Proposition 17: LGBT+ Consumers

Companies that are LGBT+ inclusive are better placed to benefit from the large, growing, global spending power of LGBT+ consumers

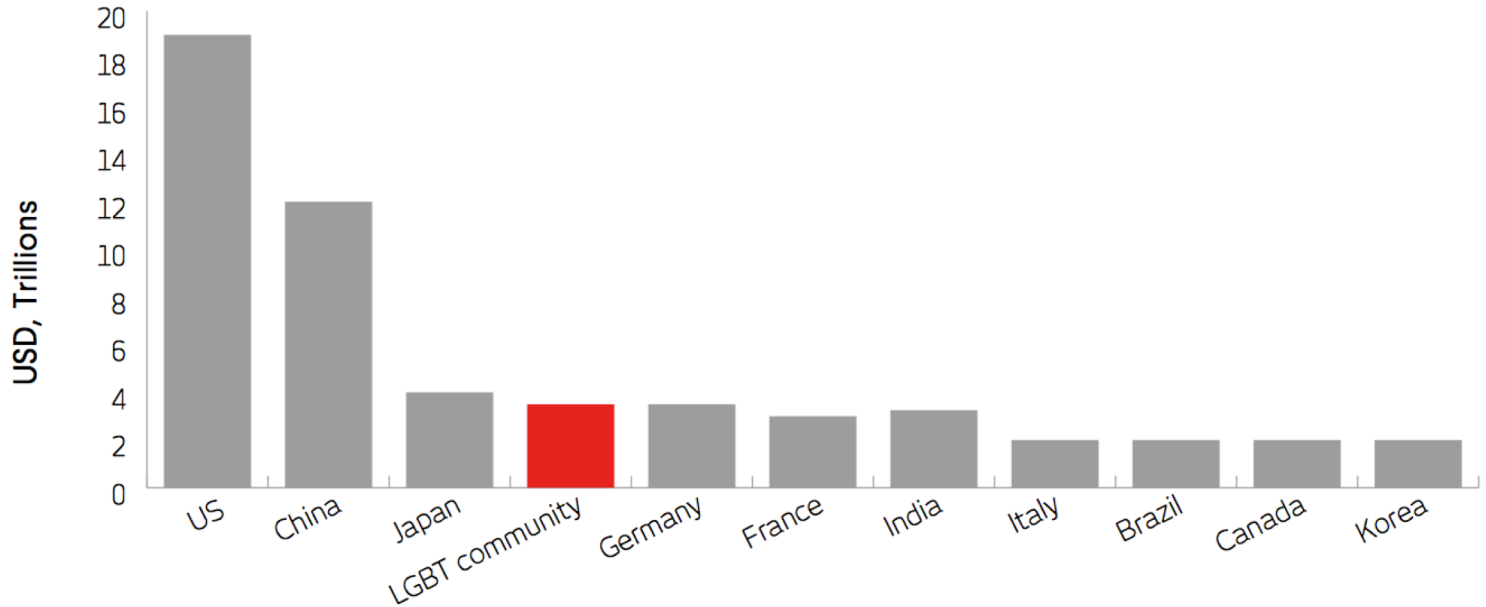


Figure 9: LGBT + spending power compared to GDP in selected countries

Proposition 19: Financial Performance

Companies that are LGBT+ inclusive have better share price performance, higher return on equity, lower cost of capital and stronger cash flow

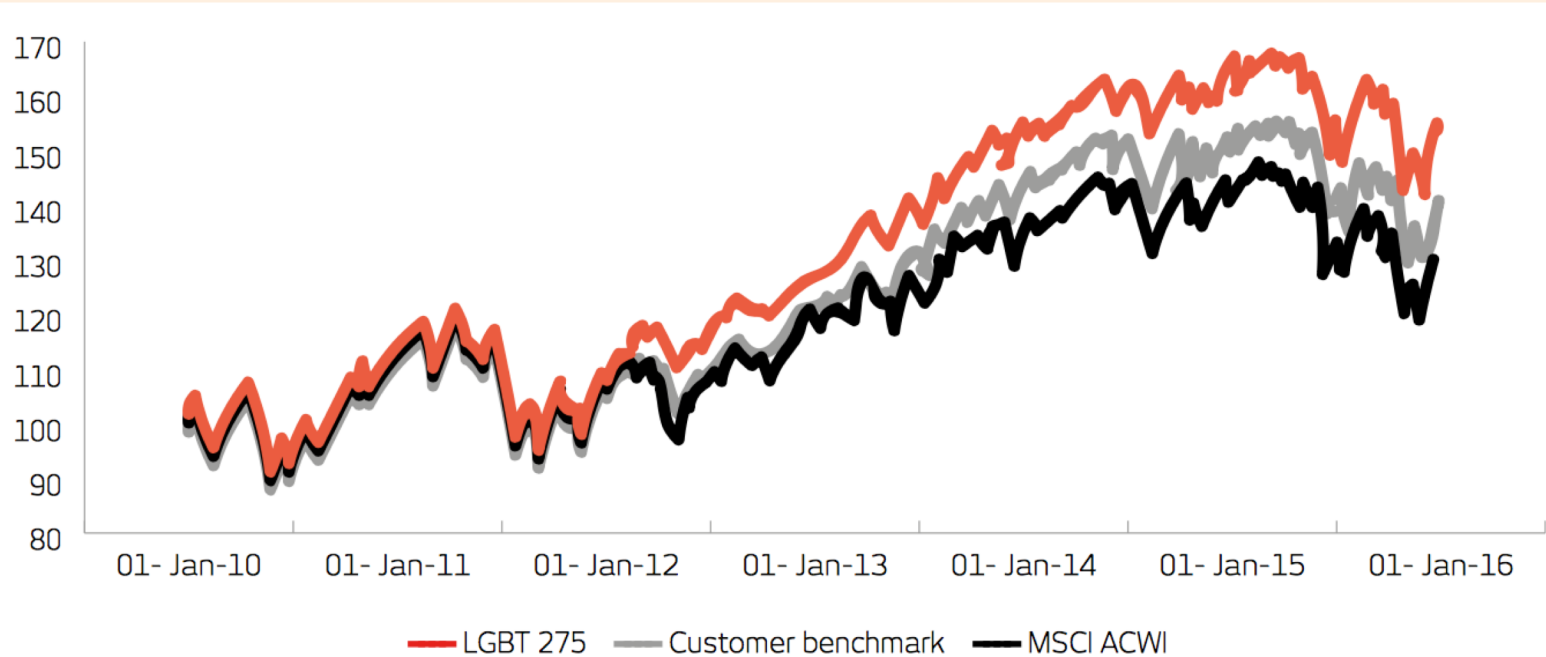
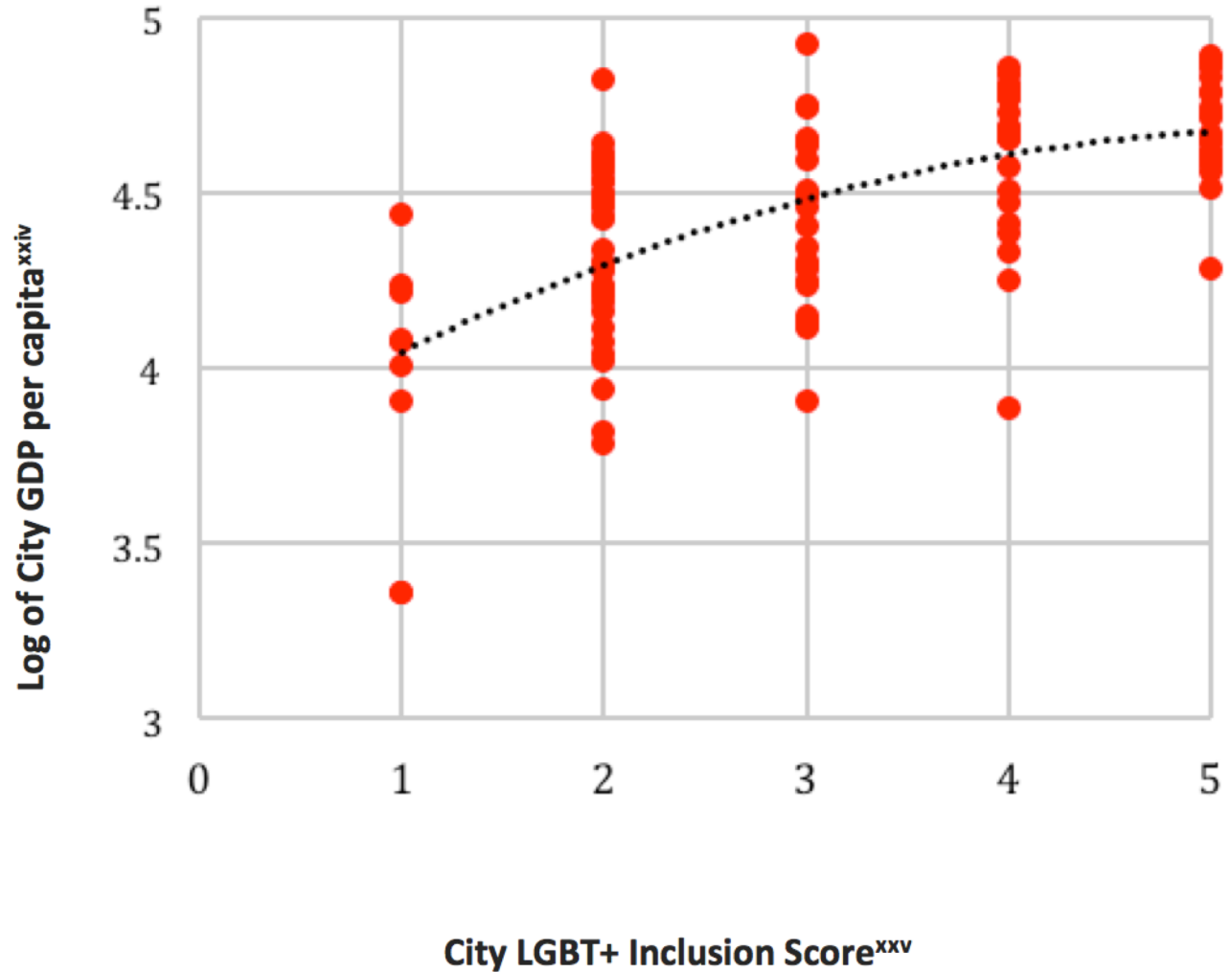


Figure 10: Share price performance of LGBT 275 basket vs benchmark

Proposition 10: Urban Economic Development

Cities that are LGBT+ inclusive are better placed to develop their global competitiveness



LGBT+ inclusive cities are more innovative

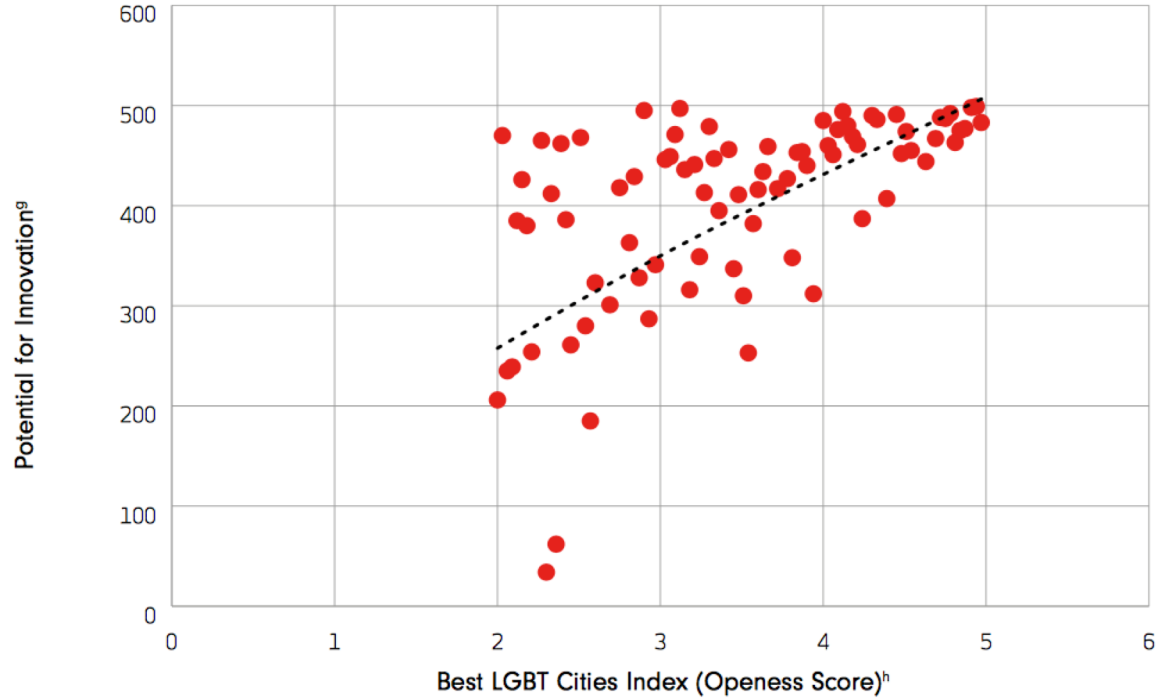


Figure 3: LGBT+ Inclusion and the Potential For Innovation in Cities

LGBT+ inclusive cities have a better quality of living

	Quality of Living Ranking ^a	LGBT+ Inclusion Score	LGB+ Status in law ^b
1	Vienna, Austria	● 4	● Relationship recognition
2	Zurich, Switzerland	● 4	● Relationship recognition
3	Auckland, New Zealand	● 4	● Relationship recognition
4	Munich, Germany	● 4	● Relationship recognition
5	Vancouver, Canada	● 5	● Relationship recognition
6	Dusseldorf, Germany	● 4	● Relationship recognition
7	Frankfurt, Germany	● 4	● Relationship recognition
8	Geneva, Switzerland	● 4	● Relationship recognition
9	Copenhagen, Denmark	● 5	● Relationship recognition
10	Sydney, Australia	● 5	● Relationship recognition

	Quality of Living Ranking ^a	LGBT+ Inclusion Score ^c	LGB+ Status in law ^b
222	Conakry, Guinea	● 1	● Criminalized
223	Kinshasa, DRC	● 1	● Not criminalized
224	Brazzaville, Congo	● 1	● Not criminalized
225	Damascus, Syria	● 1	● Criminalized
226	N'Djamena, Chad	● 1	● Criminalized
227	Khartoum, Sudan	● 1	● Criminalized
228	Port au Prince, Haiti	● 1	● Not criminalized
229	Sana'a, Yemen	● 1	● Criminalized
230	Bangui, Cen. African Rep.	● 1	● Not criminalized
231	Baghdad, Iraq	● 1	● Criminalized

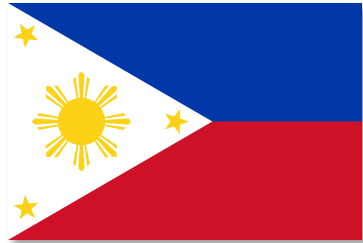
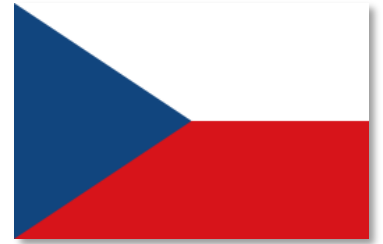
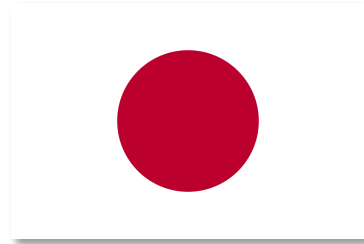
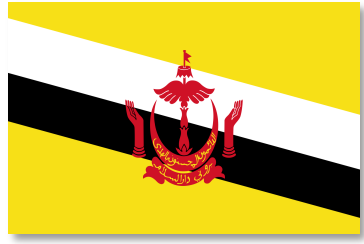
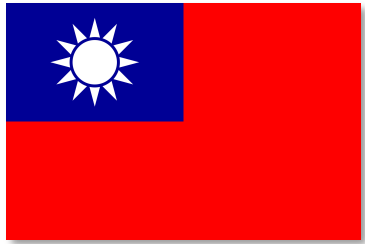
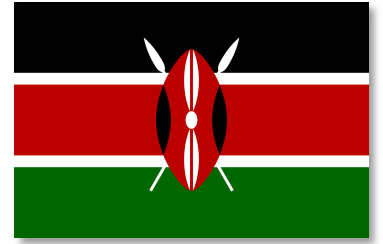
LGBT+ inclusive cities have stronger talent and skills

Brain Gain

- London
- Washington DC
- San Jose
- Madrid
- San Francisco
- Boston
- Paris
- Brussels

Brain Drain

- Acra
- Kampala
- Lagos
- Nairobi
- Moscow
- Istanbul
- Baku
- Kuala Lumpur



Talking about LGBT+ Inclusion

“It’s against the law” / “We must respect the laws of the countries in which we operate”

We say...

Although many countries have laws that prohibit same-sex activity, it is not actually illegal to actually *be* gay anywhere in the world. A few countries have “propaganda laws” prohibiting so-called “promotion” of homosexuality. In the majority of countries, supporting LGBT+ inclusion in the workplace is not violating any law.

Talking about LGBT+ Inclusion

**“It’s against the culture” /
“We must respect cultural
differences”**

We say...

This isn’t relevant. There is a clear economic and business case for inclusion, and this applies globally, irrespective of cultural context.

Often, this isn’t even true: the current hostility to LGBT+ people in many of the countries does not have deep cultural roots.

Talking about LGBT+ Inclusion

“We don’t get involved in politics”

We say...

This isn't a political issue, this is a business issue. Looking after the welfare of employees is the business issue; creating an inclusive culture that can foster performance and innovation is a business issue; operating in an open, globally connected economy is a business issue.

Talking about LGBT+ Inclusion

**“We don’t want to impose
our Western values”**

We say...

This isn't about Western values, this is about global standards of best practice in business: an open, inclusive and meritocratic workplace will yield better performance. From a moral point of view, the rights of LGBT+ people are *universal*, and not distinctly Western values.

Talking about LGBT+ Inclusion

**“Our consumers / customers
/ clients won’t like it”**

We say...

Open For Business coalition partners find that customers and clients approve of companies that support LGBT+ inclusion – and this applies globally.

Evidence shows that LGBT+ inclusion can be a source of competitive advantage and brand preference; and inclusion can lead to improved “customer orientation” and better client service.

Talking about LGBT+ Inclusion

“We want to include everyone, not just LGBT+ people”

We say...

That’s great. But generic statements about inclusion and non-discrimination are not enough. LGBT+ people are often amongst the most marginalized people in a community: invisible, afraid to “come out” – and so many LGBT+ people may feel generic statements do not apply to them. Instead, LGBT+ people must be explicitly and proactively included.

Talking about LGBT+ Inclusion

“It’s not safe to encourage people to come out”

We say...

In LGBT+ hostile countries, coming out is always a risk. The question isn’t whether to encourage employees to come out or not, but how to provide a safe and supportive environment for LGBT+ people – whether they have decided to come out or not.

Talking about LGBT+ Inclusion

“We don’t have any gays”

We say...

Many LGBT+ people feel the need to hide their sexual orientation or gender identity, particularly in environments that don’t feel accepting or safe. If there is nobody in an organization identifying as LGBT+, the most likely explanation is that people are concealing their identities.

Thank you

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