

# Gender diversity in the boardroom key for LGBT friendly firms

3 February 2016

Diversity in the boardroom is key to advancing lesbian, gay, bisexual and transgender (LGBT)-inclusive policies, finds a study published by SAGE in the journal *Human Relations*, in partnership with The Tavistock Institute.

Evidence suggests that discrimination, homophobia and workplace hostility limit the employment prospects and career mobility of LGBT individuals. In order to recruit, hire and retain the most talented and skilled workers - irrespective of sexual orientation or gender identity - firms have begun adopting and implementing policies aimed at building an inclusive workplace.

Such policies benefit not only LGBT individuals but companies themselves, including improved stock performance and higher rates of productivity and worker commitment. Yet while many companies have adopted these policies, many others have not.

By analyzing the policies of all Fortune 500 firms over a 10-year period the researchers found that: "while women CEOs are vital for advancing a company's commitment to domestic partnership benefits and [gender identity](#) non-discrimination policies, diverse boards are associated with the full range of LGBT-inclusive policies and practices."

"Indeed the most important factor in predicting whether or not a company adopts inclusive policies is board [diversity](#). Firms with a higher percentage of women on the board and those with influential women board members are more likely than other firms to adopt a broad range of LGBT- friendly policies and practices", they continued.

The study also found that interlinks between boards was a vital source of innovation, facilitating the diffusion of LGBT- friendly policies as members pass information across the field.

Alison Cook, Associate Professor at Utah State University, commented:

"Our study is important because it shows that leadership diversity can significantly influence a company's likelihood of adopting inclusive policies. Gender diversity in the boardroom is key; women directors increase a company's commitment to equity and fairness and advance [firms'](#) strategic goals. Companies committed to these outcomes can focus on increasing diversity among top leaders, including CEOs and board directors."

**More information:** "Do women advance equity? The effect of gender leadership composition on LGBT- friendly policies in American firms", by Alison Cook and Christy Glass, published in *Human Relations*.

Provided by SAGE

APA citation: Gender diversity in the boardroom key for LGBT friendly firms (2016, February 3) retrieved 26 January 2020 from <https://phys.org/news/2016-02-gender-diversity-boardroom-key-lgbt.html>

*This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.*