

“ This year, an estimated 10,000 Baby Boomers will turn 62—each day. And in the next 10 years, 43 percent of the working population will become eligible to retire. Furthermore, research conducted by Deloitte indicates that there will be fewer young people to replace retiring workers every year for the next 30 years. With such staggering labor shortages projected well into the future, businesses simply cannot afford to neglect the individuals of any demographic group as employees or as candidates for future leadership.

—Sharon Allen, Chairman of the Board, Deloitte, LLP
Keynote Speech at Out & Equal Workplace Summit, October 2009



Rating Equality

Organizations and Indices

LGBT nonprofits and corporate partners can offer each other mutually beneficial resources. Among them is talent recruitment and retention. Supporting, partnering with, and otherwise engaging LGBT nonprofits enhances a company's placement on several indices for diversity and inclusion, corporate citizenship and social responsibility, and innovation. *Chapter 4: Rating Equality: Organizations and Indices* offers background information on a few notable organizations that evaluate, rate, support or promote companies advancing LGBT equality in their work or workplace. Nonprofits should consider how the resources, surveys, statistics and studies from these organizations can be incorporated into proposals or partnerships with a company. Corporate readers should find some of this information useful as a benchmarking tool when evaluating their own companies and LGBT initiatives.



HRC's Corporate Equality Index

www.hrc.org/workplace

Since its beginning in 2002, the HRC Foundation's annual Corporate Equality Index (CEI) has provided major U.S. businesses with a roadmap for establishing and maintaining inclusive workplaces for LGBT employees. The number of employers rated from the first CEI to the present has jumped from 319 to 590; it has quickly become the premier benchmark for businesses to gauge their success on LGBT inclusion against competitors.



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The largest and most successful U.S. employers are invited to participate in the CEI and are identified through the following lists:

- *Fortune* magazine's 1,000 largest publicly traded businesses
- *American Lawyer* magazine's top 200 revenue-grossing law firms

Forbes magazine's ranking of the 200 largest private businesses is also included in CEI results, but HRC cannot guarantee that each was invited because contact information is not as easily accessible as for the *Fortune* and *AmLaw* lists. Any company with more than 500 employees may also request to be surveyed.

Businesses that achieve a rating of 100 percent in this report are recognized as Best Places to Work for LGBT Equality. See www.hrc.org/placestowork.

Businesses are rated on the following six categories:

1. Non-discrimination policy, diversity training—sexual orientation
2. Non-discrimination policy, diversity training and benefits—gender expression or expression
3. Partner benefits
4. LGBT employee resource group/diversity council
5. Appropriate and respectful advertising and marketing or sponsorship of LGBT community events or organizations
6. Responsible behavior toward LGBT community; does not engage in action that would undermine equality

HIGHLIGHTS

- **HRC Employer Search**, a free online database of several thousand U.S. employers, available at www.hrc.org/employerssearch. Detailed information on each employer rated in the CEI is included.

- **Buying for Equality**, a consumer-oriented guide based on CEI ratings, available at www.hrc.org/buyersguide. Distributed every November to coincide with the start of the winter holiday and shopping season, the guide offers LGBT consumers—with an estimated buying power of \$759 billion in 2009, according to Witeck-Combs market research—an accessible reference to the most recognizable consumer brands and their corresponding CEI rating.
- **Best Places to Work 2010**, a listing based on CEI results and segmented by industry.
- **Top Law Firms for Equality**, a list of surveyed law firms as part of the CEI ratings.

WHY THIS IS A GOOD RESOURCE

A CEI rating cannot convey all the nuances of a business' particular approach to LGBT workplace inclusion, but it can be a baseline reference for employers, as well as current and potential employees, consumers, investors and potential nonprofit partners.

Eighty-three percent of CEI-rated businesses report some form of external engagement with the LGBT community, through marketing, advertising and recruitment efforts or philanthropic contributions to LGBT organizations. Through philanthropic financial support or donations of products or services, businesses can support LGBT nonprofits. Typically, this is strategically connected to the core business of a company.

The employer database provides information on whether or not the company is engaged in some form of activity with LGBT nonprofits. It also includes contact information for the company's Employee Resource Group for organizations looking for an introduction or point of entry to a company. For large companies with local or regional offices, this could be a good place for local and regional organizations to make an initial contact, as well as for national organizations.

Go to www.hrc.org/workplace for full details on all reports.

DiversityInc. Top 50

www.diversityinc.com

Now in its 10th year, DiversityInc's Top 50 competition involves a detailed, analytic survey of more than 200 questions. The overall intent is not just to track metrics but to draw an accurate picture of a company's culture.

The survey is sent annually to any company requesting it that has more than 1,000 U.S. employees. Companies are assessed within the context of their industries and employee skill sets. The questions have predetermined weightings and are evaluated based on ratios of certain questions, such as work-force demographics compared with new-hire demographics, and relativity of one subject to another, such as mentoring best practices and management promotions.



Companies must demonstrate consistent strength in four key areas:

- **CEO Commitment** is the most heavily weighted area in the survey. Questions examine the CEO's personal involvement in diversity, how she holds executives accountable for diversity success and board-of-director demographics.
- **Human Capital** includes race, ethnicity, gender and age demographics questions surrounding the work force, new hires, management by levels, promotions and retention. The category does not count demographic areas in which companies significantly over-index demographically. This category also includes questions on work-life benefits and recruitment strategies, including those aimed at LGBT people and people with disabilities.
- **Corporate and Organizational Communications** examines such internal factors as employee-resource groups, mentoring and employee surveys, and such external factors as philanthropic contributions, multicultural marketing and website communication of diversity branding.
- **Supplier Diversity** looks at percent of procurement budgets spent with suppliers owned by Blacks, Latinos, Asians, American Indians, women, LGBT people and people with disabilities. It also examines whether supplier-diversity numbers are audited and have third-party certification; whether companies include supplier diversity in their requests for proposals (RFPs); and whether they mentor suppliers and offer them financial assistance.



DiversityInc also examines the company's web site to assess its visible commitment to the LGBT community.



Any company that does not offer health benefits to same-sex partners of employees is automatically excluded from the DiversityInc Top 50 and the 11 specialty lists.

HIGHLIGHTS

- **DiversityInc Top 10 Companies for LGBT Employees**, one of the specialty lists that strives to determine what companies are the right place for LGBT employees and their friends and families to work. They review several factors, including inclusive benefits for same-sex partners of employees, strong diversity training programs, recruitment efforts aimed at LGBT people and the vitality of the company's LGBT employee-resource group.

Since workplace demographic data on LGBT employees is inconclusive (most companies don't ask about orientation, and even those that do believe a certain segment is uncomfortable coming out), they also include ratings from HRC's CEI.

DiversityInc also examine the company's web site to assess its visible commitment to the LGBT community, as well as its relationships with external LGBT organizations. They give companies extra points for marketing to the LGBT community and for use with LGBT suppliers certified by the National Gay and Lesbian Chamber of Commerce.

WHY THIS IS A GOOD RESOURCE

All the companies listed on the Top 10 Companies for LGBT Employees also have a 100 percent HRC CEI rating. And, 74 percent of The 2009 DiversityInc Top 50 Companies for Diversity received a 100 percent CEI rating this year, compared with 52 percent in 2006 and 28 percent in 2004.

Much like HRC's CEI, DiversityInc's lists provide a clear, brief snapshot of a company's commitment to LGBT efforts. Such information is invaluable to nonprofit organizations seeking partnerships with these companies or for those preparing for a meeting with one of the companies. The listing also indicates other Top 10 lists the company is noted on based on other DiversityInc ratings, including Top 10 Companies for Executive Women, Top 10 Companies for African-Americans, etc.

Go to www.diversityinc.com to view details on the 2009 Top 10 Companies for LGBT Employees.

Fortune 100 Best Companies to Work For

www.money.cnn.com/magazines/fortune/bestcompanies

The 2009 100 Best Companies to Work For® list provides welcome and much-needed good news to employees, employers and the broader public. On average, 90 percent of employees from the workplaces represented on this year's list say their organizations are great places to work.

To choose the 100 Best, Fortune conducts the most extensive employee survey in corporate America. More than 81,000 employees completed the Trust Index® survey, created by Great Places to Work Institute, as part of the list competition, with 26,000 of those employees representing the companies that made the 100 Best list. They offered their views on the credibility of their leaders, the respect they experience, and the fairness of policies and practices in the workplace. They also spoke of the pride they feel in the work they do and reputation of their companies, and of the tremendous camaraderie they experience among their co-workers.

Ninety percent of employees believe that management is honest and ethical in its business practices; 92 percent believe that they make a difference at work; and 90 percent experience pride when they consider their accomplishments.

As has been the case in the past, this year's 100 Best continue the tradition of confirming that great workplace practices—treating people well, sharing information and answering questions, and investing in employee's professional development—all combine to contribute positively to the bottom-line. At the Best Companies, turnover is lower, recruiting is easier and employee morale is stronger than at other workplaces across the country. Over the long term, the publicly traded 100 Best Companies continue to outperform the S&P 500 and the Russell 3000.

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Companies on this year's list added more than 57,000 new full-time and 22,000 new part-time jobs during the last year and invested significantly in training opportunities for the people who took them.

Any company that is at least seven years old with more than 1,000 U.S. employees is eligible.

HIGHLIGHTS

Some of the categories rated for this report are of particular interest to LGBT employees and nonprofit organizations, since the rating is determined by company employees. Gay-friendly benefits and policies are two such rating categories.

The following benefits are evaluated in the survey:

- **100% Health Care:** Companies that pay 100 percent of an employee's health-care premium
- **Onsite child care:** Companies that provide an on-site child care center
- **Telecommuting:** Companies that allow employees to telecommute or work at home as a regular work arrangement (i.e., where employees telecommute or work from home at least 20 percent of their time)
- **Job sharing:** Companies that offer employees a job sharing program (e.g., two people share one job)
- **Compressed workweek:** Companies that offer employees compressed workweeks (e.g., work four 10-hour days and take Fridays off) on a year-round, regular basis.
- **Fully paid sabbaticals:** Companies that offer fully paid sabbaticals
- **Onsite gym:** Companies that have an on-site fitness center
- **Gym discounts:** Companies that subsidize off-site fitness center memberships
- **Gay-friendly benefits:** Companies that offer domestic partner benefits for same-sex couples (where permitted by law)
- **Gay-friendly policy:** Companies that have a written non-discrimination policy that includes sexual orientation

WHY THIS IS A GOOD RESOURCE

Of the 2009 Top 100 companies, 42 are rated in the HRC's CEI and 31 of the 42 received a rating of 100 percent.

As we know from the CECP survey mentioned throughout this guide, employees are critical stakeholders in helping to determine a company's giving strategy. In cross-referencing this report with the HRC CEI, we can get a bit of a sense for the climate for LGBT employees in these companies though recognize that it is not necessarily an exact snapshot. Companies also receiving strong CEI ratings may make good potential partners for LGBT nonprofit organizations.

Go to www.money.cnn.com/magazines/fortune/bestcompanies to view details on the 2009 Top 100 Best Companies to Work For.

Out & Equal™ Workplace Advocates

www.outandequal.org

Out & Equal™ Workplace Advocates is the pre-eminent national organization devoted to the LGBT community in the workplace. Out & Equal's mission is to educate and empower organizations, human resource professionals, Employee Resource Groups (ERGs) and individual employees through programs and services that result in equal policies, opportunities, practices and benefits in the workplace regardless of sexual orientation, gender identity, expression or characteristics.

Out & Equal Workplace Advocates' regional affiliates produce local educational and networking events in order to share best practices and discussions about important LGBT workplace issues. These events provide an effective way for Out & Equal to serve the needs of individual employees, leaders of ERGs and human resources professionals. Out & Equal regional affiliates are organized and led by local regional councils, ensuring that they have the flexibility to meet the needs of the local community while still being connected to the national organization.

HIGHLIGHTS

Out & Equal has several resources to assist ERG leaders and that can also be helpful to nonprofit organization leaders:

- **ERG Registry**, an online tool to facilitate networking among ERG leaders.
- **Out & Equal Town Calls** offer valuable education and awareness building of current workplace topics.
- **Workplace Summit**, an annual event that provides educational and networking opportunities to meet other ERG leaders and leading LGBT workplace advocates from around the world.

WHY THIS IS A GOOD RESOURCE

For the nonprofit professional, the local Out & Equal Regional Affiliate listing is a good place to start to try to identify local business leaders in their community. Networking with those involved in the program can potentially provide a point of entry for conversation with participating corporations about partnering at the local level. As we learned from the Corporate Version of our *Business of Change* survey detailed in Chapter 2 of this guide, more than 90 percent of corporate respondents thought it necessary to have an "internal advocate" to gain support for LGBT programs/organizations with most of those respondents citing the ERG as a good starting point. Further, almost three-fourths (73 percent) of corporate respondents indicate that the best way for LGBT nonprofits to start a relationship with companies is to meet and network with a company employee. The Out & Equal Regional Affiliate listing provides contact information for each affiliate's leadership as well as a listing of individuals and their companies who are part of the local leadership. Local affiliates may post upcoming networking events and recent news about their activity directly on the Out & Equal website, while a number also maintain their own sites for which one can register to be kept apprised of activities.

Seventy-three percent of corporate respondents indicate that the best way for LGBT nonprofits to start a relationship with companies is to meet and network with a company employee.



WHY THIS IS A GOOD RESOURCE

We believe that the LGBT Business Organization listing of the Community section may be of particular interest to local or regional organizations. The section contains a listing, by state, of the local affiliates of the NGLCC with contact information and a link to the affiliate's website. (Note: Not all states or regions within states may have a local affiliate.)

The listing is a good resource for local organizations to identify businesses in their region with which they might be able to establish partnerships. Many of the local affiliates host regular networking meetings and other events, most of which are publicized on their websites. Such opportunities provide nonprofit professionals with the opportunity to meet business leaders in their region to talk about how they might establish mutually beneficial partnerships.



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