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“THE POWER OF OUT”
NEW STUDY SHOWS INCLUSIVE WORKPLACE ENVIRONMENTS
FOR LGBT EMPLOYEES
ARE CRUCIAL FOR CAREER PROGRESSION AND BOTTOM LINE
SUCCESS

New York, NY: June 21, 2011 – A new study by the Center for Work-Life Policy, featured in the July/August issue of the *Harvard Business Review*, quantifies the loss to individuals and to the bottom line when organizations fail to create a workplace hospitable to their lesbian, gay, bisexual and transgender (LGBT) employees. The data, based on a survey of 2,952 respondents, show the consequences when LGBT employees are forced to keep their lives and loved ones a secret from colleagues. Among the findings:

- This is a highly desirable labor pool: ambitious (71%), committed (88% are willing to go the extra mile for employers) and better educated (48% of LGBT respondents have graduate degrees versus 40% of their straight counterparts).

Despite a rise in anti-discrimination protections for LGBT employees, 48 percent of LGBT survey respondents reported being closeted at work. **Staying in the closet has huge consequences. Those who are out flourish at work, while those who are in the closet languish or leave.**

- LGBT employees who are not out reported significantly greater feelings of being stalled in their careers and greater dissatisfaction with their rates of promotion and advancement.
- LGBT employees who are not out are 40 percent less likely to trust their employer than those who are out.
- Employees who remain closeted and isolated are 73 percent more likely to leave their companies within the next three years.

This is a group with economic clout and loyalty to gay friendly brands. A recent study estimates the LGBT community’s collective buying power at more than \$700 billion in the U.S. alone. This is a constituency with economic firepower companies should not ignore.

According to Sylvia Ann Hewlett, founding President of the Center for Work-Life Policy and a coauthor of the study: “Organizations that encourage *all* of their employees to bring their whole selves to work have the greatest opportunity for innovation and growth.”

“Being 'out' on Wall Street has gone from unimaginable thirty years ago to being widely accepted today with Wall Street helping lead this change,” said Todd Sears, an advisor to this study and founder of “Out on the Street,” the LGBT Wall Street leadership consortium, which

held its first event on March 30, 2011. As Sears points out, “This study clearly shows that there is still a tremendous gap between implementation of LGBT-friendly policies and the ability and decision of employees to come out at work. For us to move forward, it is going to take gay leaders sharing their coming out stories and straight leaders going beyond statements of support to action, to put real faces to the discussion. Only then will companies truly get the best out of their LGBT employees and win the support of the LGBT community and marketplace.”

Methodology

Sponsored by American Express, Boehringer Ingelheim USA, Cisco, Credit Suisse, Deloitte, and Google, research for this study comprised of focus groups, Virtual Strategy Sessions, one-on-one interviews, and a US national survey (January and February 2010 with 2,952 respondents) conducted by Knowledge Networks under the auspices of the Center for Work-Life Policy, a nonprofit research organization.

Center for Work-Life Policy

The Center for Work-Life Policy is a nonprofit think tank based in New York City. CWLP’s flagship project is the Hidden Brain Drain Task Force—a private sector task force focused on global talent innovation. The 67 global corporations and organizations that constitute the Task Force, representing four million employees and operating in 190 countries around the world, are united by an understanding that the full realization of the talent pool is at the heart of competitive advantage and economic success.

Upcoming Virtual Master Class

The CWLP will be hosting an interactive Virtual Master Class on June 29th from 12pm – 1:15pm EDT. With a focus on cutting-edge initiatives being seeded in leading-edge companies across sectors, the web-based Virtual Master Class will unpack the power of being able to bring one’s whole self to work. In addition to sharing the new CWLP research, the 75-minute session will include an interactive Q&A. For more information go to www.worklifepolicy.org.

About the Authors

Sylvia Ann Hewlett is an economist and the founding president of the Center for Work-Life Policy (a nonprofit think tank), where she founded and now chairs the “Hidden Brain Drain” Task Force, a group of 67 global companies and organizations committed to fully realizing female and multicultural talent. She leads the CWLP’s advisory services practice Sylvia Ann Hewlett Associates. She also directs the Gender and Policy Program at the School of International and Public Affairs, Columbia University and is a member of the World Economic Forum’s Global Agenda Council on the Women’s Empowerment. She is the author of nine *Harvard Business Review* articles and eleven critically acclaimed nonfiction books including the forthcoming *Winning the War for Talent in Emerging Markets* (Harvard Business Press, September 2011), *When the Bough Breaks*, *Creating a Life*, *Off-Ramps and On-Ramps* and *Top Talent: Keeping Performance Up When Business Is Down* (Harvard Business Press). She has taught at Cambridge, Columbia and Princeton Universities and held fellowships at the Institute for Public Policy Research in London and the Center for the Study of Values in Public Life at Harvard. She is a featured blogger on Harvard Business Online. A Kennedy Scholar and graduate of Cambridge University, Hewlett earned her PhD in economics at London University.

Karen Sumberg is senior vice president, director of projects and communications at the Center for Work-Life Policy and a director with the CWLP's advisory services practice Sylvia Ann Hewlett Associates. She leads research projects for the CWLP including "The Sponsor Effect," "Bookend Generations: Leveraging Talent and Finding Common Ground," and "Sin Fronteras: Celebrating and Capitalizing on the Strengths of Latina Executives." She is coauthor of Harvard Business Review article "How Gen Y & Boomers Will Reshape Your Agenda," as well as the Harvard Business Review Research Reports *The Athena Factor: Reversing the Brain Drain in Science, Engineering, and Technology* and *The Sponsor Effect*, CWLP reports *The Under-Leveraged Talent Pool: Women Technologists on Wall Street* and *Off-Ramps and On-Ramps Revisited* and a Harvard Business online blog. Prior to joining CWLP, Sumberg worked in Japan and Australia and has experience in the publishing industry with a focus on marketing and communications. Sumberg received her BA from the University of Maryland and her MBA from Fordham University.