



# FUTURE-PROOFING BUSINESS EMBRACING TODAY AND TOMORROW'S LGBTQ+ WORKERS AND CUSTOMERS

When businesses strongly embrace diversity and inclusion employees who feel a sense of belonging and fairness are more engaged and more productive. Customers who feel companies' values match their own are more connected and loyal to their brands. This holds especially true for lesbian, gay, bisexual, transgender, and queer (LGBTQ+) employees and customers around the globe, as well as their pro-equality allies. With significant generational shifts already underway, corporate leaders who want to future proof their businesses must act now to engage in meaningful ways with LGBTQ+ and allied audiences. Data shows that LGBTQ+ people are a growing part of global society and are demanding more from the businesses they work for and buy from. How a business adapts to an increasingly LGBTQ+ global society impacts its workforce, recruitment, productivity, and its bottom line.

## LGBTQ+ PEOPLE ARE FOUND ALL OVER THE WORLD – WITH GEN Z AND MILLENNIALS LEADING THE WAY

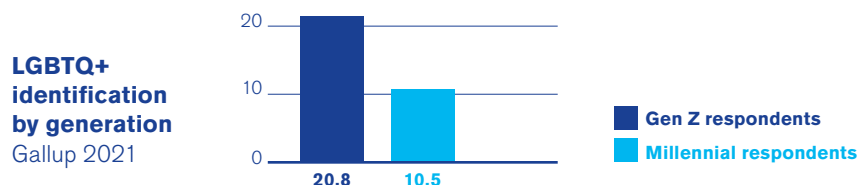
Globally, the size of the openly LGBTQ+ population is the largest it has ever been.

### Year over year, more people are openly identifying as LGBTQ+ as a result of increased visibility and acceptance of LGBTQ+ people worldwide.

- In 2021, Gallup recorded that 7.1% of all U.S. adults (age 18+) identify as LGBTQ+, the highest level recorded by the survey in a decade of tracking.
  - + This is over double what was recorded in 2012 (3.5%), when Gallup first started tracking, and a more than 25% increase from just the year prior (5.6% in 2020).
- Globally, Ipsos' [LGBT+ Pride 2021 Global Survey](#) of over 19,000 adults in 27 countries found that almost one in ten adults worldwide (9%) identify their sexual orientation as something other than heterosexual, and 2% identify their gender identity as transgender, non-binary, or something other than cisgender male or female.

### This has largely been driven by younger generations, who are substantially more likely to openly identify as LGBTQ+ than older cohorts.

- In the same Gallup survey, more than one in five (20.8%) Gen Z respondents, and one in ten (10.5%) Millennials in the U.S. identify as LGBTQ+.





- + In 2021, over 13% of high schoolers in the U.S. identified as lesbian, gay, or bisexual, a 17% increase from 2019 (when 11.2% identified as LGB).
- Globally, the same Ipsos survey found that 18% of Gen Z, and 10% of Millennials, identify as something other than heterosexual, compared with fewer than 10% of Gen X or Baby Boomers.
- + 4% of Gen Z, and 2% of Millennials identify as transgender, non-binary, or a gender identity other than cisgender male or female, compared with 1% or less of older generations.

## THE GEN Z AND MILLENNIAL WORKFORCE IS ASCENDENT – AND GROWING

Global demographics are shifting, as younger generations increasingly account for larger shares of the population — and the workforce.

**As of 2021, there are 1.8 billion Millennials worldwide — the largest living adult cohort.**

- Millennials, those born between 1980 and 1994, account for almost a quarter of the global population and make up almost a quarter of all people on each continent.

**Gen Z is catching up and will soon surpass Millennials as a share of the global adult workforce.**

- **Currently, there are an estimated 2 billion Gen Z people worldwide, accounting for 30% of the total population (including a mix of adults and minors under the age of 18).**
- **By 2030, Gen Z is expected to represent over a third (34%) of the global workforce, surpassing all other generations.**
- + **Millennials will represent an estimated 32% of the workforce in 2030, with Gen X representing a little under a quarter (23%)**

- Within the U.S., the proportion of Gen Z in the workforce is expected to triple between 2020 and 2030.
- + By 2030, there will be an estimated 52 million Gen Z adults in the U.S. workforce, collectively making an estimated \$2 trillion in post-tax income.

## THE CURRENT WORKFORCE IS MORE OPENLY LGBTQ+ AND PRO-EQUALITY THAN EVER — AND IT WILL ONLY CONTINUE TO GROW

Modern corporate success requires leadership, flexibility and innovation to be ahead of the curve in a rapidly changing world - a world that increasingly includes LGBTQ+ and allied employees and customers.



**More people are openly identifying as LGBTQ+ today than ever before. As Gen Z and Millennials continue to represent larger shares of the population, the size of the openly LGBTQ+ and pro-equality workforce will only continue to grow.**

- A [report from the HRC Foundation and Bowling Green State University](#) using data from the U.S. Census Bureau's Household Pulse Survey estimates that the proportion of Americans identifying as LGBTQ+ will almost double by 2040
  - + By 2030, one-in-seven (14.3%) adults age 18+ will be LGBTQ+ identifying, representing a sharp increase from the present day.
  - + By 2040, nearly one-in-five (17.8%) adults will identify as LGBTQ+.

**In addition to being more likely to identify openly as LGBTQ+ themselves, these younger generations hold more pro-equality, LGBTQ+ affirming attitudes and beliefs than older generations.**

- A plurality of Gen Z and Millennials in the U.S. say that allowing same-sex marriage has been [good for American society](#), and as far back as 2014, Millennials were the generation most likely to support same-sex marriage.
  - + Gen Z and Millennials in the U.S. are also far more likely than older age groups to favor [pro-equality policies around transgender rights and issues](#)
- When asked to rank the issues they care the most about in a survey from BBMB and GlobeScan, [a plurality of Gen Z adults in the U.S. - over a quarter \(28%\) - selected equality](#), including broad social equality, women's rights, LGBTQ+ rights, and racial equality, as their top issue, more than any older generation.
- Globally, over [half of adults \(51%\) support LGBTQ+ people being able to live openly as their sexual orientation and gender identity with everyone in their lives vs. only 16% who oppose it](#). Support is highest among Gen Z adults (61%).
  - + Over half of all adults (55%) worldwide, including 59% of Gen Z and a majority in all generations, are in favor of laws banning discrimination against LGBTQ+ people vs. only 19% who are opposed.
- In a 2016 survey from the Varkey Foundation of over 20,000 Gen Z young adults from 20 countries, [over three quarters \(74%\) stated they believe transgender people should have the same rights as non-transgender people](#).

## THE BUSINESS CASE FOR EQUALITY

Implementing pro-equality workplace policies and taking active and, when possible, public pro-equality stances on LGBTQ+ legislation (be it opposing discriminatory anti-LGBTQ+ legislation or supporting inclusive pro-LGBTQ+ legislation) is not only the right thing to do — it's also good for business.

**Globally, both LGBTQ+ people and allies are already in favor of corporate citizenship for LGBTQ+ equality.**

- The same [study from Ipsos](#) found that almost half (47%) of all adults surveyed —



including both LGBTQ+ and straight/cisgender people — support “companies and brands actively promoting equality for LGBTQ+ people” vs. only 19% who oppose it

This trend continued within specific countries: in a majority of the 27 countries surveyed, respondents either support or are unopposed to corporate citizenship for LGBTQ+ equality

### **Research shows that most people — particularly LGBTQ+ workers and Gen Z and Millennials - want to work for pro-equality businesses...**

- One study by Ernst and Young, found that “almost two-thirds (63%) of Gen Z adults in the U.S. feel it is very or extremely important to “work for an employer that shares their values”

● **A 2022 study from GLAAD and Edelman Trust Institute of 2,000 Americans found that U.S. employees are 4.5 times more likely to want to work at a company if it publicly supports and demonstrates a commitment to expanding and protecting LGBTQ+ rights**

**+ Gen Z and Millennials age 18-34 are 5.5 times more likely to want to work at a company that does so**

- On the flip side, a 2022 global study from Deloitte found that more than a third each of Gen Z (37%) and Millennials (36%) worldwide have “rejected a job or assignment based on their personal ethics.”
- + Over half of Gen Z and Millennials (52% of each) who were unsatisfied with the progress their current organization was making in creating a diverse and inclusive environment stated they intended to leave their job within two years.
- Globally, over half (56%) of Gen Z respondents to the Ipsos study, along with more than four in 10 Millennials (48%), Gen Xers (43%), and Boomers (43%) worldwide support corporate action for LGBTQ+ equality

### **... and buy from and support pro-equality brands.**

- In the same study from GLAAD and the Edelman Trust Institute, respondents were twice as likely to buy or use a product from a brand that publicly supports and demonstrates a commitment to expanding and protecting LGBTQ+ rights
- + Over half (53%) of Americans want and expect CEOs to “inform and shape conversations and policy debates about LGBTQ+ rights”
- In the 2022 LGBTQ+ Community Survey from CMI, more than seven in ten (71%) of U.S. LGBTQ+ adults reported they were more likely to purchase from a company that “outreaches and advertises to the LGBTQ+ community.”
- + A similar percentage (69%) think more positively about companies that advertise to LGBTQ+ community - whereas three quarters (76%) think more positively about companies that sponsor “LGBTQ+ community organizations and events”



## And when workplace climates are LGBTQ+ inclusive, all employees—and company bottom lines — benefit.

- Businesses and employees in general benefit from corporate social responsibility (CSR). Research from the American Marketing Association found that engaging in CSR of any sort was associated with:
  - + More successful recruiting of new employees
  - + Improved retention of existing employees
  - + Increased sales and customer loyalty among customers
  - + More positive business reputation among peers
- Similar trends are seen specifically for LGBTQ+ inclusive workplace climates, as well as the presence of LGBTQ+ inclusive business policies, which are “sound business decisions, in addition to the fair or right thing to do.” Businesses with LGBTQ+ inclusive policies benefit from:
  - + Improved ability to recruit and cultivate a diverse workforce, including highly talented LGBTQ+ workers
  - + Lower job turnover/attrition of LGBTQ+ employees, as well as cost-savings due to reduced need to recruit and train replacement employees
  - + Lower insurance costs (due to healthier employees)
  - + Increased employee productivity, creativity and innovation (due to happier and more supported employees being more open to take risks)
  - + Improved business reputation, particularly among socially conscious consumers
- LGBTQ+ workers at businesses with LGBTQ+ inclusive policies or workplace culture report:
  - + Greater job commitment
  - + Higher job satisfaction
  - + Better relationships with colleagues and supervisors
  - + Lower levels of discrimination
  - + Improved psychological and mental health
  - + Increased well-being at work

## EQUALITY IS MORE THAN RAINBOWS DURING PRIDE MONTH

The majority of consumers and workers - including both LGBTQ+ and straight/cisgender people - support companies and brands actively promoting equality for LGBTQ+ people.



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**But, increasingly, people are looking to companies to lead the fight for equality and engage in more bold actions and investment than rainbow flags and Pride floats.**

- A [2022 market research report](#) by WPP of 7,000 adult consumers across the U.S., U.K., and Canada found that nearly 3 out of 4 LGBTQ+ people and half of non-LGBTQ+ people think brands should do more to support LGBTQ+ people outside Pride month
  - + 52% of LGBTQ+ people said that they would like to see brands use ads to raise awareness around issues and legislation impacting LGBTQ+ people
  - + 46% of LGBTQ+ people would like to see ads that raise money for LGBTQ+ charities.

- **In the same study, three quarters (75%) of LGBTQ+ adults, and more than half (51%) of non-LGBTQ+ adults, report feeling more positively about brands that support LGBTQ+ equality year-round.**

## WHAT COMPANIES CAN DO TODAY

Today, companies are advancing LGBTQ+ inclusion and equality in a variety of ways, but we are only scratching the surface. There are six core areas where companies must invest to ensure they are a best place to work for LGBTQ+ people and that they live into their values as allied corporate citizens on behalf of LGBTQ+ customers and people across the globe.

The HRC Foundation is committed to helping you attain a more inclusive, equitable workplace. We are happy to be a resource and partner with you on this journey. With tools like the Corporate Equality Index (CEI), we help you benchmark your business against your competitors, and we provide all the resources you need to successfully participate.

The HRC Foundation has worked with more than 1,000 major businesses to implement LGBTQ+ inclusive policies and best practices. Below you will find our key focus areas:

- **Advocacy:** Determine ways to both publicly or privately advocate for or against policies that would impact LGBTQ+ equality at federal, state, and/or municipal levels. This can include joining, funding, and/or participating in coalitions focused on such advocacy, as well as instituting transparency, participation, and other innovative practices into political giving strategies.
- **Supply Chain:** Invest in LGBTQ+ vendors, across intersectional identities, via the company's entire supply chain.
- **Talent Pipeline:** Invest in the recruitment and retention of LGBTQ+ workers in significant or innovative ways. Invest in talent pipeline development and advancement opportunities at all levels, and for all LGBTQ+ identities.
- **Product Impacts:** Develop products and services that positively impact the lives of LGBTQ+ people. Institute practices to minimize or eliminate the potential for products, services, or platforms to actively harm LGBTQ+ people.



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- **Marketing:** Take marketing and storytelling beyond Pride month and beyond LGBTQ+ channels. Use a company's reach to normalize and humanize LGBTQ+ families, lives, and priorities in the mainstream.
- **Philanthropy:** Deeply support organizations that work for the safety and equality of LGBTQ+ people. Institute practices and policies to help the company identify and refrain from supporting organizations that actively promote hate, discrimination, and misinformation about LGBTQ+ people.

The HRC Foundation offers a variety of ways for companies to engage in all of these core areas. Learn more by visiting us at [HRC.im/CorpPublicPolicy](https://www.hrc.org/corporate-public-policy).

## CONSIDER PARTICIPATING IN THE HRC CORPORATE EQUALITY INDEX

Each year, the HRC Foundation publishes the Corporate Equality Index (CEI), a national benchmarking tool measuring the presence of corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees. In 2022, the HRC Foundation released the [20th Annual Corporate Equality Index](#), a survey of over 1,300 companies across the U.S.; scores on the CEI were used to compile the HRC Foundation's annual list of the "[Best Places to Work for LGBTQ+ Equality](#)."

### Why should you participate in the CEI?

One way companies can engage their LGBTQ+ workforce and customer base, while also improving their workplace for LGBTQ+ employees, is to participate in the CEI. Two decades of tracking and research suggest that participation allows companies to

- **...Stay Competitive.** Nearly 1,000 of the nation's largest businesses, including the majority of the Fortune 500 and the American Lawyer 200, participated last year.
- **...Gain Recognition.** The Corporate Equality Index and its companion Best Places to Work and Buying for Workplace Equality guides have been covered by major outlets such as *FORTUNE*, *The Associated Press*, *The New York Times*, *The Washington Post*, *The Economist*, *Reuters*, CNBC and business journals throughout the U.S.
- **...and Improve Recruitment and Retention.** Both LGBTQ+ and non-LGBTQ+ employees alike look for inclusive workplace policies and benefits as a clear sign that all employees are respected.

Plus, it's free. There are no fees to participate in the Corporate Equality Index— this includes survey submission, all consultation provided by the HRC Foundation staff, access to our web resources and inclusion in the Corporate Equality Index report.



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## FUTURE PROOF YOUR BUSINESS

### Businesses need to embrace a growing LGBTQ+ workforce and consumer base

LGBTQ+ people represent a significant segment of the global economy, and their numbers are only growing. To market to LGBTQ+ people, businesses must take care to avoid “rainbow-washing,” or using rainbow flags in advertising without making serious commitments to LGBTQ+ equality. With real investments in the LGBTQ+ community, businesses can grow their market share and recruit and retain the workforce of tomorrow.

#### To learn more, and to help advance LGBTQ+ inclusion and equality:

Visit the landing page for [The HRC Foundation - Workplace Equality Program](#), including resources and current training and collaboration opportunities

Learn about The HRC Foundation [Corporate Equality Index](#)

Join the Human Rights Campaign [Business Coalition for the Equality Act](#)

Review the [HRC Business Statement on Anti-LGBTQ+ State Legislation](#)

Read additional research on the growing demographics of the LGBTQ+ and pro-equality workforce, and the business benefits of LGBTQ+ inclusion in the workplace:

- WPP, in partnership with Human Rights Campaign, UK Black Pride, DIVA, and myGwork - [Beyond the Rainbow: An investigation into LGBTQ+ marketing and its future](#)
- GLAAD / Edelman Trust Institute - [2022 Barometer Key Insights - Business and LGBTQ+Rights in the U.S.](#)
- Community Marketing Insight - [16th Annual LGBTQ+ Community Survey \(2022\)](#)
- Ipsos - [LGBT+ Pride 2021 Global Survey: A 27-country Ipsos survey](#)

## APPENDIX

**Cisgender** | A term used to describe a person whose gender identity aligns with those typically associated with the sex assigned to them at birth.

**Gender identity** | One's innermost concept of self as male, female, a blend of both or neither – how individuals perceive themselves and what they call themselves. One's gender identity can be the same or different from their sex assigned at birth.

**LGBTQ+** | An acronym for “lesbian, gay, bisexual, transgender and queer” with a “+” sign to recognize the limitless sexual orientations and gender identities used by members of our community.

**Non-binary** | An adjective describing a person who does not identify exclusively as a man or a woman. Non-binary people may identify as being both a man and a woman, somewhere in between, or as falling completely outside these categories. While many also identify as transgender, not all non-binary people do.





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**Queer** | A term people often use to express a spectrum of identities and orientations that are counter to the mainstream. Queer is often used as a catch-all to include many people, including those who do not identify as exclusively straight and/or folks who have non-binary or gender-expansive identities. This term was previously used as a slur, but has been reclaimed by many parts of the LGBTQ+ movement.

**Sexual orientation** | An inherent or immutable enduring emotional, romantic or sexual attraction to other people. Note: an individual's sexual orientation is independent of their gender identity.

**Transgender** | An umbrella term for people whose gender identity and/or expression is different from cultural expectations based on the sex they were assigned at birth. Being transgender does not imply any specific sexual orientation. Therefore, transgender people may identify as straight, gay, lesbian, bisexual, etc.