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Exploring LGBTI diversity and inclusion initiatives in the professional services firms

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We acknowledge the tradition of custodianship and law of the Country on which the University of Sydney campuses stand. We pay our respects to those who have cared and continue to care for Country.

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1. Introduction

This research project has explored LGBTI diversity and inclusion change across all four of the Australian 'Big 4' professional services firms through 2018 and into 2019.

The analysis that follows does not therefore attempt to trace the impact of individual agents of change. We ultimately completed 56 interviews with a diversity of individuals including senior and more junior staff, older and younger staff, men and women, and individuals who identify as both LGBTI and ally staff. Our interview questions explored related initiatives developing within each firm, perceptions of the value of a focus on LGBTI diversity and inclusion generally, insights into factors driving related change, perceptions of how related change impact on staff and clients, thoughts on intersectionality, and other opportunities and challenges going forward.



Left image: Participants at the University of Sydney 2019 'Sydney Fair Day' stall
Right image: University of Canberra Ally network lanyard



2. Background

2.1 A history – how has a focus on LGBTI diversity and inclusion developed within Australia’s ‘Big 4’ professional service firms in recent years?

Our study suggests little explicit engagement with LGBTI staff or related diversity and inclusion initiatives within any of these four firms, as recently as 2010. By 2010 however, a number of staff, partners and directors, were becoming cognisant of changing community values. Staff and clients were now commenting that leading organisations were driven to be more diverse. Several interviewees commented on perceptions of a ‘male, pale and stale’ image within the profession, which threatened longer-term growth and sustainability. Furthermore, health and safety regulations emerged in all states at this time, requiring management to provide a psychologically safe workplace, necessitating strengthened protections from discrimination. Comments about the importance of ‘safety’ pervaded our interviews. These imperatives for change were felt acutely within the Big 4 at this time, as each continued to progress with goals to expand beyond traditional auditing and accounting services, into a broader focus on ‘professional services’. Collectively, these concerns demanded development of a new and refreshed image that might appeal to a far broader diversity of potential clients and staff.

Early developments drew on business case arguments to justify a range of outwardly focused messages and mottos about organisational goals and a desired image of the firm. Those messages were progressively presented within websites and reports, posters, stickers, messages within email signatures, and lanyards. Underlying business case arguments focused on the potential to improve productivity, retain staff, and attract a new diversity of recruits and clients. An acknowledgement and embracing of LGBTI staff was a part of these messages. The idea of ‘male, pale and stale’, points to the need for broad diversity engagement, including engagement with women, staff from diverse cultural backgrounds and younger staff. Those focused on these developments therefore spoke of a number of diversity ‘pillars’ including gender, cultural and sexual diversity. It was hoped that these developments might encourage stakeholders to agree these firms were now ‘community leaders’, ‘employers of choice’, places that encouraged

‘diversity of thought’, and ‘responsible corporate citizens’. Each pillar of diversity had progressed independently for some time, with initiative focused on women under the spotlight for some time, and a focus on sexuality, culture, and other issues, progressing more recently. Efforts were however, now being made to draw them under a cohesive umbrella, and consider issues of ‘intersectionality’.

Apparently those largely rhetorical developments had some positive impact, as interviewees felt that recruitment practices were now diversifying, retention was improving, client needs were now more effectively met, and productivity was improving. Rhetoric and messaging of itself, was also appreciated by LGBTI staff, because silence had been previously expected. Our study suggests therefore, that some success can be achieved from LGBTI diversity change, without the need for significant structural change. Another important element of these developments was achieving recognition through the AWEI annual workplace diversity awards. AWEI recognition gave the firms an opportunity to demonstrate their achievements to a broader business community, and to benchmark themselves with each other.

For several years, business case arguments remained a key concern, and so rhetoric and messaging remained the dominant response. However into the mid-2010s, individuals passionate for substantive initiative, many of whom were younger LGBTI staff and their allies, began to champion a range of inwardly-focused responses. Earlier rhetorical developments driven by business case arguments opened space for a range of champions (mostly staff, but also including some partners and directors), to pursue social justice initiatives of substance. Rather than concerning themselves with outward messaging and rhetoric, champions for substantive initiative focused on developing a range of concrete initiatives, including implementation of policy, education and leadership programs, support for social networks including LGBTI networks, development of related research projects (for example, PwC’s widely cited recent ‘Where are all of the women?’ report), and

more recently, other considerations including gender neutral toilets. These developments in turn, availed further opportunities to market these new stories with potential recruits and clients.

Other developments within the regulatory landscape into the mid-2010s, including progress towards marriage equality, supported this energy for substantive progress. Suggesting something more than a business case, 'genuine' (as several interviewees put it) structural change was now taking place, including the promotion of 'out' LGBTI staff to the partnership, and changing workplace procedures to listen and respond to the needs of individuals. By 2019, each firm had a strong and persisting emphasis on the business case arguments to outsiders such as clients, with a diversity of substantive initiatives progressing internally. However, while substantive changes were still developing, all initiatives remained connected in one form or another to instrumental business case arguments focused on reputation and profitability. The risk for LGBTI staff in this instrumental approach is that where business case arguments and instrumental values remain the central focus, engagement with sexuality might easily become taboo again. Our study

suggests that efforts to now link these multiple initiatives and disparate drivers into cohesive strategy was important. Furthermore, while LGBTI were still placing value on rhetoric into 2019, that tolerance is likely to wear thin into the 2020s, if not complemented by clear change to workplace culture and behaviour.

Figures 1 to 4 are developed in an attempt to simplify the presentation of the key learnings from this analysis. A starting observation as noted above, is that interviewees in general placed a greater emphasis on business case arguments than social justice arguments. Figure 1 then indicates that younger staff (which we define as under 40) placed more emphasis on a role for social justice arguments than older staff. Figure 2 then adds that the emphasis on business case versus social justice was similar across gender. Figure 3 indicates that staff (which we define as under 40) had more inclination to argue social justice arguments than partners and directors. Finally, Figure 4 suggests that LGBTI individuals were more supportive of social justice arguments than non-LGBTI. In short, younger LGBTI staff placed more emphasis on a role for social justice and substantive initiative, than individuals who were older, non-LGBTI, and more senior.

Age results

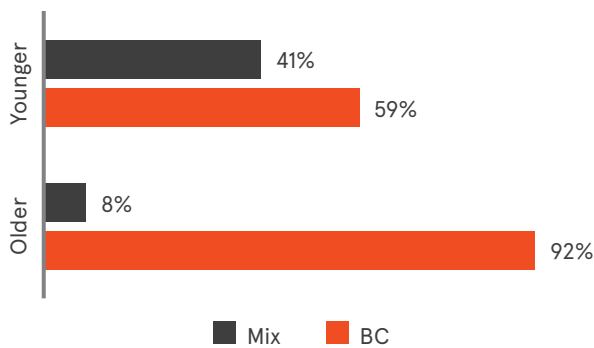


Figure 1 – Business case (BC), versus mixed social justice and business case arguments by age

Gender results

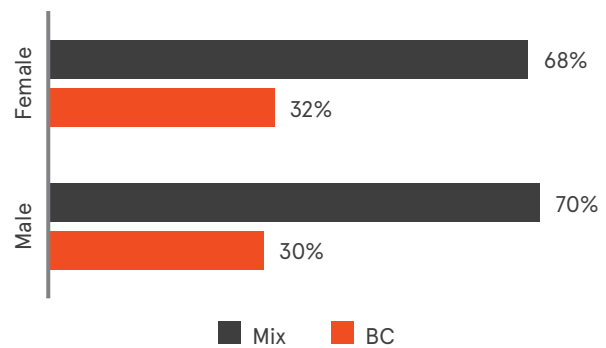


Figure 2 – Business case (BC), versus mixed social justice and business case arguments by gender

Position results

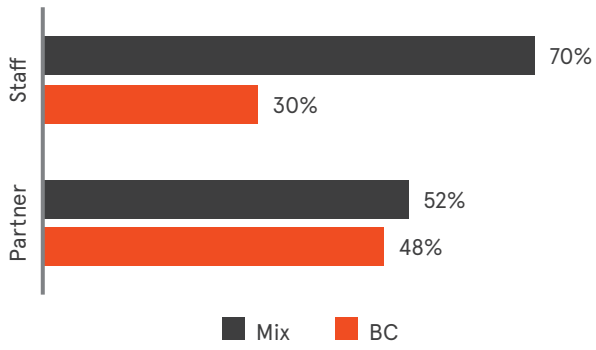


Figure 3 – Business case (BC), versus mixed social justice and business case arguments by position

Sexuality results

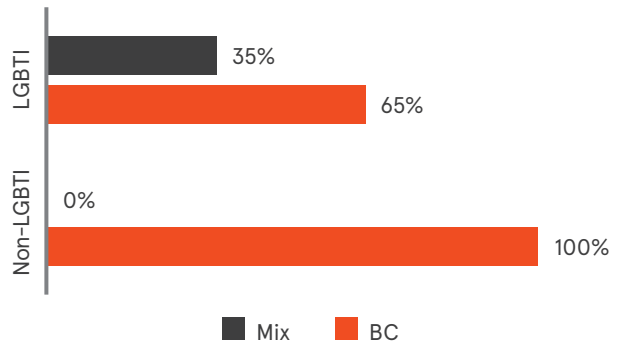


Figure 4 – Business case (BC), versus mixed social justice and business case arguments by sexuality

3. Specific initiatives

3.1 Strategy and policy

Several interviewees commented on the importance of first developing overall diversity strategies, under which policy developments and specific initiatives should hang. Organisations should put appropriate governance structures in place, before they potentially launch themselves into a range of ‘bright, shiny rainbow things’ (as one interviewee put it). This was particularly important considering the complexities of our individual identities, and the potential for backlash and criticism. Criticisms might then be responded to by referring to the overarching strategies that drive specific initiatives. Interviewees proposed a number of strategies, which all offered clear linkage to business case arguments. Those strategies included arguments relating to sustainable growth, talent acquisition, productivity and retention. Along with focusing on strategy, several commented on the overarching importance of changing workplace culture to encourage inclusivity.

All four organisations were all in the process of developing a range of policies which sought to drive structural support for LGBTI diversity. However in each case, several commented on how there was more to do. Specific policy initiatives focused on inclusion, gender-neutral language, non-discrimination, and more specific issues including parental leave policies. Policy was generally developed through diversity and inclusion committees, which sought guidance and contribution from the firm’s LGBTI networks. A more recent development in most firms was policy focused on transitioning. Policy of course, had limited impact unless it translated into action. Driving cultural change, through conversations, training, and the sharing of personal stories, was therefore seen as critical. Policy was also problematic where it was seen as not very visible or easily accessible.

3.2 An LGBTI network

All four firms had LGBTI networks which were now relatively mature. The networks were useful for establishing connections and fostering a sense of community within the firm, particularly for staff employed in more conservative departments, and more isolated offices. LGBTI networks played a central role in moments of related celebration (such as the announcement of the legislating of same sex marriage). LGBTI networks also provided policy advice to senior management, developed and implemented training programs, engaged in induction programs, and organized external participation in LGBTI community events. Top-level support and willingness to respond to suggestions from the network was critical. Members were particularly pleased when LGBTI partners and directors joined the network, as this offered another way to develop relationships with individuals at that level. Lead partners involved in the networks were proud and felt a sense of achievement in being role models and mentors. Being in the network also gave partners an opportunity for a more informal and relaxed engagement. Conversely, a successful LGBTI network also depended on solid staff level involvement and willingness to volunteer. In fact, the early development of LGBTI networks had only been possible, because of the willingness and enthusiasm of staff level champions.

Often, the development of an LGBTI network had been a first early effort to propel the organization beyond the early focus on rhetoric and messaging alone. The mere presence of the network gave staff a sense of visibility and security and safety, even in some cases where individuals were not yet willing or brave enough to participate. Generally, LGBTI networks were not a significant cost for the firms, as most activities were self-funded, and driven by volunteers. Participants valued this opportunity to shape the direction of the network. LGBTI networks were open to both LGBTI staff and their allies. The presence of allies was appreciated, particularly from partners. Generally, each firm required an appropriate senior person to take on a ‘lead’ or ‘chair’ role in the network. Some had been reluctant to accept these roles, but were generally happy once recruited, as the role gave them freedom to help shape strategy and direction.

Interesting developments in some cases including consideration of the need for a queer women's network, and development of a 'global' network, particularly targeted to offices in some of Australia's more conservative neighbouring countries.

A key concern that many had with the networks, is that they were not diverse enough. All networks tended to be dominated by gay 'white' men, with little engagement from women, culturally diverse staff, or any transgender or intersex staff. Some simplistically concluded therefore, that the networks were somewhat unappealing 'gay men's drinking clubs'. A sense that alcohol was a core focus was disengaging for several. There was some comment however, that the networks were evolving from these often, early forms. Some women and culturally diverse interviewees in particular argued that it was therefore up to individuals to make an effort and engage. Others were concerned that many of the events organized by the network were hard to get to, particularly where the employee spent a lot of time at clients or worked part time. The networks therefore tended to be dominated by individuals who spent a lot of time in the office (including support staff). Some were also concerned that the network depended on volunteers, and so suffered from associated fatigue concerns. The passing of marriage equality legislation in Australia was also ironically, a challenge for the networks, with some sense of inertia that the network now had less purpose.

3.3 Events and education programs

Interviewees described a range of specific and general training initiatives targeted to both LGBTI and non-LGBTI individuals, and to both leaders and staff. Training programs focused on understanding the terminology of sexuality, unconscious bias, sharing personal stories, and general awareness of differences and of risks including mental health challenges. The inclusion of personal stories resonated particularly well. These programs had a visible positive impact on staff, and were particularly valuable for dispelling ignorance, reducing discrimination, and developing everyone's sense of self-confidence. Nonetheless, there was also a concern that changed behaviour was not automatic, and that there needed to be some limitations set on these programs; the firms didn't want to be 'ramming down their throats stuff that they already know'. One interviewee spoke of 'diversity fatigue'. The programs also needed to be complemented by a range of other initiatives including better role-modelling initiatives. There was also some concern that staff are 'time poor', and in many cases have to be pushed to do these programs.

These training programs in turn, fed into other practices including recruitment practices, which now sought to adapt the language utilised, and ensure visible symbols of support were present through the process. The inclusion of LGBTI modules and information within induction programs were being progressively introduced over the last 5 years, largely championed by individuals from the LGBTI networks. These were well-received and 'set the tone really well' for the start of the individual's journey within the firm. One of the four firms also had a well-developed approach to leadership training programs targeted at LGBTI staff. Other firms were looking to emulate this development. This program was seen as important because LGBTI staff can struggle with self-confidence which is so important to considering leadership opportunities. Many who had done the program commented on how valuable it had been, in helping them to identify personal factors that held them back.

Interviewees commented on a range of LGBTI events that the firms had attended or organised in recent years, including participation in community parades and fair days, and in-house celebrations of key annual events including 'Wear it Purple' day, and IDAHOBIT day (International Day Against Homophobia, Biphobia, Intersexism and Transphobia). With the support and sponsorship of the senior leadership team, the development of many of these initiatives was driven by grass roots level champions. In-house events brought a surprisingly large number of staff together, and the sharing of personal stories at these events built general awareness, contributed to the sense of safety for LGBTI staff, and contributed to the ultimate genesis of new policy developments. Some felt that personal stories in particular, had a tangible impact on many attendees, including some partners who had been considered quite conservative in the past. Participation in external events were valued for several reasons. The out of office and informal nature of these events was good for staff engagement and awareness. Many events had also now become quite useful client engagement activities. The firms also continued to have a number of challenges in relation to these initiatives including concerns that staff had little time to participate given core concerns to focus on billable hours.

3.4 Visible symbols – statements, posters, stickers, lanyards

Visible messages and symbols gave staff an opportunity to connect, and had a 'huge impact' for some when they had first walked into the firm's offices. Visibility of the 'small things' can be important, particularly for sexuality which had been kept invisible in the past. Visible symbols and statements presented a firm buttress against anti-LGBTI sentiment from groups such as extreme religious groups. A part of the appeal of these symbols is that they were largely low cost. There was however, a limit to how far the firms could go with these initiatives. For example, an effort to change one firm's building logo to rainbow colours at the time of marriage equality was not approved by the executive because of concerns about potential client backlash.

3.5 Leadership targets?

All four firms had 50-50 gender targets in place for leadership, but none had yet implemented LGBTI leadership targets. In principle this could be possible. For example, the firm could seek to target a modest 5% 'out' LGBTI leaders by a particular date. Many commented that measurement and problems of self-identification were the key problem. The more important goals for now were encouraging LGBTI leaders to continue to self-identify, and become visible role models. It was also important to ensure that only supportive individuals were promoted. In some cases however, the reasons offered for opposition to LGBTI leadership targets were simply the same factors of concern regarding gender targets; backlash, and fear that other important factors (including merit) become secondary. These fears of targets were partly why one firm had developed an LGBTI leadership training program as an alternative. A small number did however, feel there could be some role for the 'big stick' approach of targets for LGBTI staff in leadership. Through such targets, a greater sense of openness in the firm might be encouraged.

All firms also undertook annual staff surveys. All surveys currently had a voluntary question on sexual orientation. It was felt there was limited value in some of these questions as staff often do not answer honestly, and the way some questions are constructed can cause angst. Some reworking of related questions was in progress. Nonetheless, accurate data was important for many reasons, including providing LGBTI networks with figures to support arguments for policy and procedural development, and supporting LGBTI leaders who wanted to be visible. Like anything else, reliable data was needed to enable management to act. Related data was currently also reflected on in offices and divisions to consider how recruitment might be targeted to increase diversity.

4. Other issues

4.1 Experiences regarding coming out and the impact of marriage equality

Our study indicates an evolving approach to coming out within the Australian accounting profession into 2019. This was a period during which LGBTI initiatives and programs were becoming well developed, but for which a vitriolic and public debate preceding the passing of marriage equality was hurtful to the LGBTI community. Our interviewees commented that while that unnecessary public debate had a damaging impact on self-confidence, statements of support for marriage equality from senior management were well received, increasing their sense of safety, comfort and joy at work, and encouraging more to be open and honest with their colleagues.

A range of comments on the value of coming out were provided. Interviewees commented that it led to increased perceptions of tolerance, a great sense of safety and trust, and further support of peers and senior managers. Strong and supportive leadership and role models were important to building a critical sense of safety and comfort within the workplace. Interviewees felt strongly that through that support, senior management, the CEO, and the firm itself were behind them. However, more importantly, a sense of having allies, friends and networks within the workplace, were critical to building the confidence staff needed to begin to come out. That support in turn, effected a greater sense of safety to be honest about sexuality. Coming out meant a variety of things to different individuals including disclosures on an individual by individual basis, as well as grander statements to larger collectives of staff.

Barriers to coming out were also apparent. Some individuals feared coming out where there were no clear signs of workplace support (including role models, friends, allies, and messages in social media and websites). These fears, tensions and backlash have not gone away simply because marriage equality is now legislated. For many, these fears were irrational and hard to explain. A safer environment had not homogeneously emerged for all LGBTI staff in these firms, particularly considering the 'siloing' possible in the partnership model. Some spoke of the challenge of having to come out again and again, and of uncertainty with outing themselves with clients. Some managed their identities by seeking to 'pass' as non-LGBTI. This necessitated constant energy, as staff studied their environment, searching for signs of safety.

We have undertaken some numerical analysis of these coming out stories, revealing the impact of multiple layers of diversity (and discrimination). This analysis indicates that 'white' or 'Australian', male LGBTI staff were more confident than women, and those who identified as culturally diverse. Figure 5 indicates that a greater proportion of younger staff were reluctant to come out than older staff. Figure 6 then adds that women were more reluctant to come out than men. Figure 7 indicates that staff were more reluctant to come out than partners. Finally, Figure 8 suggests that those who identified as culturally diverse (or as some incorrectly put it, 'non-Australian'), were more reluctant to come out than those who identified as 'Australian' or a part of a cultural majority. In short, younger, female, 'non-Australian' staff were more reluctant to come out than older, male, partners and directors who identified with a cultural majority. Our insights about younger individuals are particularly surprising, and run contrary to perceptions that sexuality is not an important issue for today's younger generations. The impact of the other 'degrees of otherness' here are less surprising, particularly that women and individuals of diverse cultural backgrounds are more reluctant to come out.

Experience of coming out (by age)

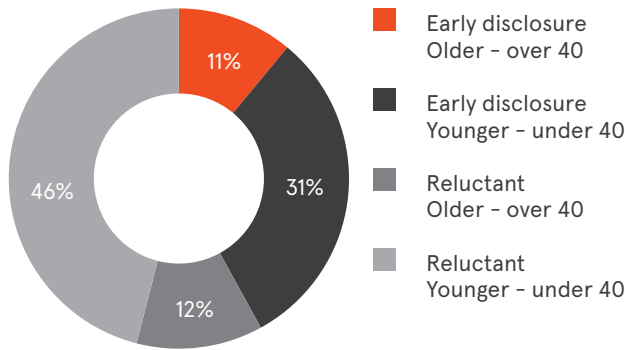


Figure 5 - Experience of coming out by age.
Source: Authors.

Experience of coming out (by position)

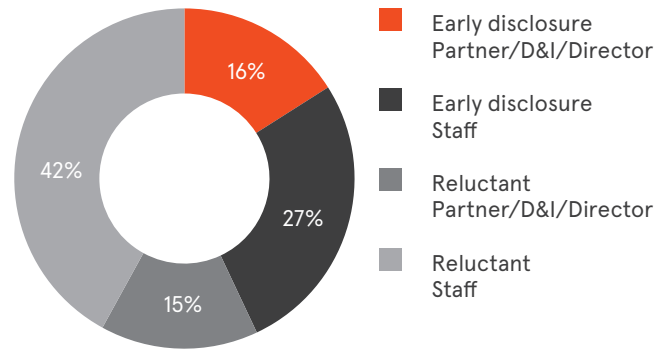


Figure 7 - Experience of coming out by position.
Source: Authors.

Experience of coming out (by gender)

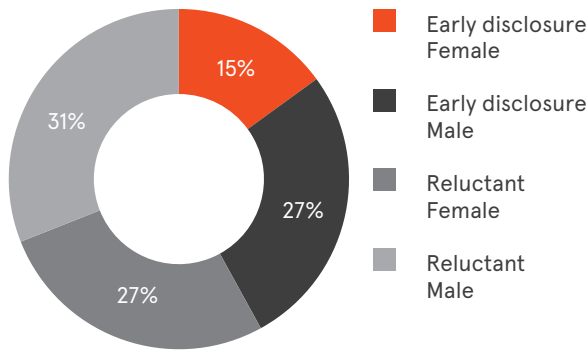


Figure 6 - Experience of coming out by gender.
Source: Authors.

Experience of coming out (by ethnicity)

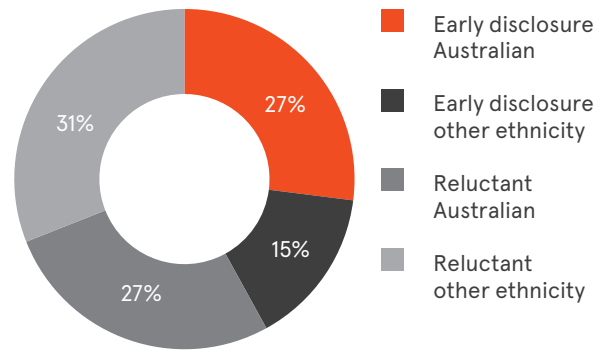


Figure 8 - Experience of coming out by ethnicity.
Source: Authors.

The legislative achievement of marriage equality, and each firm’s support of that change, represented a key historical juncture for all interviewees. All four of the Big 4 issued statements supporting a ‘yes’ vote in favour of marriage equality, reflecting ongoing efforts to develop sincere approaches to addressing diversity and related staff attrition concerns. This bold move contributed significantly to a staff sense of safety and joy. Through support of marriage equality, along with other diversity initiatives, the heteronormative values within these firms began to loosen. The public debate that preceded the passing of marriage equality demonstrates how the outside (political debates) can influence the inside (professional entities).

4.2 Leadership issues

Many interviewees spoke of the importance of strong leadership, from both partners and directors, including both LGBTI and ally leaders. Ally leaders were just as important as LGBTI leaders, and critical because of the potential for there to be more of them than LGBTI leaders. While staff were increasingly diverse into 2019, several commented that leaders continued to be homogeneously 'male, pale and stale'. And so while it was appreciated when the few LGBTI leaders stepped forward and outed themselves, it was critical for the largely homogeneous non-LGBTI leadership to take on clear ally roles. However, LGBTI leaders could do some things that allies could not including role-modelling and drawing on their own personal motivations to push cultural change (for example, lesbian leaders personally pursuing flexible work arrangements).

Good leadership ensured that diversity was not just about implementing policy, but also that those policies were proactively and thoughtfully implemented. Good leadership provided visible and tangible evidence of the firm's commitments, and gave staff a sense of safety and confidence in being themselves in the workplace and with clients, feeling they were supported in the event of any bigotry of difficulty, and forcing clients to behave in a manner that was consistent with firm values. Good leaders also ought to present their profile clearly on the website, which then attracted potential LGBTI recruits.

Some leaders were naturally attracted to be allies as they saw the challenges (perhaps because they had LGBTI children). In most cases however, good leadership initially required some encouragement to appreciate the importance of related issues. This included LGBTI leaders who had been approached to fill leading roles sponsoring LGBTI networks or being on diversity committees. As one LGBTI partner put it 'I never wanted to be the poster child'. The concern here was about the scrutiny that would follow, and the pressure to be successful. However, LGBTI leaders seemed to appreciate the experience once recruited. Good leaders made themselves available to simply talk to, or to be more formal mentors, which gave staff the confidence to act on firm policy and directives within smaller departments and offices. Mentoring did not work as well where the arrangements were more informal, (for example, leaving staff to approach particular partners if they were willing).

Fundamentally a leader was good where they were true to themselves, passionate to help others, and able to raise awareness for issues that mattered. Good leaders supported LGBTI networks to do more than just be a support group, and take on clear authority as a channel for debates on firm policy and direction to the top. Good LGBTI leaders also joined the LGBTI networks. It made a big difference for staff when these networks were now populated by both staff and leaders. Good leaders called out staff when they said the wrong things. Good LGBTI leaders attended recruitment sessions and spoke on their experiences. Good leaders were critical for many, to achieving their own personal best. Good leadership was of value therefore, for its impact on culture; the potential for leadership to champion specific initiatives or support funding for particular events, was of secondary importance. Feeling that good LGBTI leadership was about championing particular events was a problem, as some were concerned that they wouldn't know how to approach specific tasks of this nature. It would seem that some good leaders did not appreciate that their visible presence was the key contribution.

4.3 Client specific issues

Many provided comments focused on both firm sensitivities to client developments, and on client sensitivities to firm developments. Many felt their firms were now scrambling to catch up to developments within client leaders, and justifying that rapid change by arguing it was what the client-base now wanted/needed. Others suggested their firm was more interested in pitching itself as a field leader. Interviewees spoke of more conservative clients included mining, construction, transport, and finance, with less conservative sectors including the public sector and tourism. This was all changing however, with many of the large traditional audit clients now demanding diversity within the audit team. The requirement for diverse teams was however, focused more on gender and to some extent culture. Clients were increasingly unhappy if an all 'white' male team turned up. Many clients were also now asking about the firm's approach to diversity, and this is where LGBTI diversity could be discussed. This drove the firms to improve related marketing materials. This was also a challenge for lead partners, who had to consider appropriate team design for particular clients. Several explained that the firm's support for marriage equality had led to some client backlash (as well as some outrage from more conservative staff) including the loss of some clients. However all firms had stood strong, and so the responses were mostly positive. Some spoke of aligning to client's values in two ways; seeking to understand and emulate leading practice, and seeking to guide slower clients through leading example. A challenge that some spoke of is that Australia sits within an otherwise quite conservative part of the world, and so promoting progression with diversity engagement in neighbouring offices such as Indonesia, was difficult, specifically because of sensitivities to local conservative clients. These differential cultures also impacted on Australian staff on secondment to these offices. Staff in one Singapore office were 'bemused' by Australian developments and questioned why LGBTI staff needed 'special treatment'.

Negative experiences - A few LGBTI interviewees felt uncomfortable that they needed to fit in and 'pass' when they travelled to clients in more conservative parts of Australia including regional Queensland, or when they were obliged to work with clients in more conservative industries and organisations. Even in the big city of Melbourne, some felt marginalized because of its persisting sense of 'old boy' values. Others spoke of negative experiences with clients, including caution about being out, having to 'bite their tongue' about bigotry, and fear that anything they might do wrong could lead to lose of the clients. Many spoke of the energy spend in filtering and sensing the safety of the environment (one argued, 'it's a lot of emotional investment'). Soft skills were important in terms of gauging the environment and expectations. In some cases, the staff who were the object of bigotry felt they had to just deal with it, or that there was limited support from the firm. Others commented that partners were a little ill prepared to handle complaints about client behaviour. Some more conservative clients, including religious clients had been a challenge. In short, several felt their firms were not yet as bold in their outward dealings as they would like them to be.

Others had more positive experiences. For some it was not an issue; sexuality was not relevant and so did not get discussed. More commented however, that they now felt strongly empowered, and confident in working with more conservative clients, and had not experienced any problems anyway, but would feel supported if they were to report any bigotry or discomfort. Many felt that clients now clearly understood that they needed to be careful about their reputation and any backlash that might result. Some explained that 'active steps' were taken to tell clients about firm policy and values. Some had had negative experiences, but were happy with the proactive, immediate and effective support the partner had immediately provided, including telling the client this was unacceptable. Some said the firm's position was quite strong and it was willing to lose some clients. Many provided stories of introducing clients to their spouses, as evidence of the positive relationship.

For many, a journey to being more out with their clients, as with the journey towards being more out with colleagues, required empowerment. It was not something anyone else could do for you. Open and confident interviewees felt that being LGBTI could in fact enable a positive contribution with clients, helping them to connect with more people. In this sense, being LGBTI staff was an advantage for some, allowing them to demonstrate an attractive openness with clients that non-LGBTI staff could not do in a similar way. Some spoke of 'transactional' clients where intimacy was irrelevant, and the more 'substantive and regular' clients, where intimacy was an important part of a quality client experience. In these substantive cases, there could be some initial awkwardness, as it was important to get that intimate personal detail 'out of the way' early on. Some realized that their comfort had to come first and that everything was so much easier once they were out. Some more junior interviewees spoke of how they spent more time at clients than in the office, and so it was vital to feel comfortable there. Having an LGBTI network gave less confident staff a greater sense of security when placed within conservative clients.

Others spoke of conservative clients looking to the firm for guidance on how to make their own diversity progress. The Big 4 were seen as 'trusted brands' and so clients were generally willing to accept their lead. As the Big 4 became more confident with recent D&I changes, they also thought about how they might develop and change their client base, to better align with these values. This didn't mean rejecting some of their more traditional conservative clients, but rather it meant seeking to 'go on a journey together', and use the firm's power and leverage to advocate for diversity. Nonetheless, most relationships were built first and foremost on the Big 4's reputation for technical competence over these 'softer' skills and values. In all 4 firms, it was apparent that little thought had been given to the potential for also commercializing the firm's LGBTI diversity skills.

4.4 Heteronormativity and its impacts

A range of comments were provided about an ongoing pervading heteronormativity within industry in general, and within these 4 firms, and on how this impacted on both LGBTI and non-LGBTI staff. Interviewees were largely sensitive to pervading heteronormative mainstream conventions, and their impact within the workplace. Nonetheless, they all felt in general that in this heteronormative world, they had made a good choice to work within the Big 4. Many felt that despite pervading heteronormalities, sexuality had no direct impact on the work they did, and so did not significantly impact within the workplace. For others, heteronormativity did impact in a number of subtle ways, leaving staff feeling ostracized from social conversations, awkward, and emotionally drained. In some cases, staff felt some sense of backlash, where they felt others were upset about perceptions that their career was being supported or accelerated because of their sexuality. For many women, a sense that promotional opportunities for women were continuing to progress slowly, was the greater concern than issues relating to their sexuality. Having 'intersectional' diversity challenges meant that issues in relation to at least one of the 'pillars' to which they were subject, were commonly repressed. This was most likely to be sexuality, as unlike gender, sexuality is (or one might think it is) not necessarily visible. We also interviewed LGBTI staff of cultural diversity and one transgender employee. All felt that heteronormative values dictated that in facing challenges, the employee had a first obligation to respond, more so than the firm. For example, it was up to the employee to 'get over it' or to make efforts to be visible. For many, the key problems underpinning bigotry, inappropriate jokes, and violence, were ignorance.

Some felt the firms should do more to address evident problems, but interestingly, most seemed to take it upon themselves to respond where they saw matters that bothered them. Often it was felt that this was important because an immediate response was critical to avoid normalizing bad behaviour. Sometimes interviewees felt a sense that management viewed some of their behaviour as too bold, but that the vast majority of others supported their initiative. For example, one interviewee organised an impromptu gathering to celebrate the passing of marriage equality, which some leaders frowned on. This suggests a breeching of unwritten heteronormative rules, which few outside of the powerful leaders actually subscribed to. Heteronormativities were impacted by social norms, but the problem is that the gatekeepers may not loosen up internalised rules as fluidly as society changes. For example, one interviewee was told to take down a photo from the intranet of himself and his partner kissing. Society's unfamiliarity with two men kissing has undoubtedly evolved in recent years, but the firm apparently had not. In other cases, interviewees were upset with themselves where they hadn't responded as well or as promptly as they would have liked, to discrimination or bigotry.

All of this effort entailed an 'energy spend' including constant self-censorship, 'code switching' and 'filtering' to ensure personal safety, including a fear that any openness might threaten the firm's relationship with clients. Some interviewees felt the need to be hyper-aware, and constantly look for signs that people could be trusted. Others felt that conservative staff retreat, and applied a similar sense of self-censorship, and sometimes passive aggression, as workplace norms became less stable. Wise interviewees appreciated that an inability to truly be oneself, impacts on all of us within the workplace (including the 'male, pale and stale'). All of us become cognizant in one way or another of pervading workplace norms, and learn to play a role that we think aligns as best as possible, and does not raise alarm bells.

4.5 Employees as the driver of change

A number of our staff level interviewees, and some partner/director level interviewees, commented on how they personally had driven many of the substantive initiatives developing within their firms, as opposed to initiatives being driven from firm-level. This was not simply because the firms were perhaps reluctant in some cases to drive change from 'the top', but also because many LGBTI staff were articulate, empowered and passionate to effect change. This in part reflected the challenges of 'siloed' departments and isolated regional offices, where any local enthusiastic LGBTI staff, found themselves having to either continue in isolation, or champion change, such as developing a local chapter of the LGBTI network. Interviewees felt that diversity was important to the firm, but the puzzle was that it could only meaningfully happen through employee initiative, because only individuals who experienced some sense of marginalization could best understand related needs. Several argued that unless change was driven from that 'ground swell' of support, it was likely to be little more than branding and marketing. Others commented that this is why such rapid success had been achieved in recent years for LGBTI diversity; unlike other pillars including culture and gender, a lot of the energy for LGBTI change came from staff. Nonetheless, there are a range of challenges with leaving change to be driven by staff, including 'volunteer fatigue'. It was important therefore, that leadership both clearly support progress, and also avail space, including allowing staff some time away from core chargeable hours, to engage with non-chargeable initiatives of this nature. Leadership should then also be open to ideas that emerge from LGBTI networks, and be patient, because grassroots-level change of this nature necessarily involved trial and error.

Specific achievements from staff level champions included attending induction sessions as a representative of the LGBTI network, developing other recruitment and training materials, development of the LGBTI network and subsequent local chapters, and development of specific LGBTI networks including a queer women's network. The term 'queer' was engaged with by many of our interviewees who felt it was an inclusive term. For example, 'queer women' could include those who identify as lesbian, as well as trans-women.

4.6 Intersectionality

Interviewees felt it had worked well to initially structure diversity into separate 'pillars' of initiative. To a large extent, this pillared approach had developed because different groupings of initiatives were developed over different time periods. Most now felt however, that some focus on intersectionality was becoming important, because at the end of the day, the siloing into pillars actually works for no one; we are all in fact individuals and so have distinct needs. The organization starts to become a 'victim of its own structure'. Pillaring can also result in inefficiencies; for example, addressing parenting policy through a gender focus, and then again through an LGBTI focus. These questions were important, because the simple truth is that resources for diversity are limited. Few had answers however, for how intersectional linkages might now be achieved. An element of the problem was that there was little tolerance for multiple layers of otherness. One explained 'we have gotten pretty good at accepting one element ... but we are not very good at accepting multiple layers'. Many commented that their firms were still in the 'early days' of seeking to understand how they can or should respond to issues of intersectionality. There was however, a sense that the firms needed to be agile and focus on the bigger picture of core firm values. This led to questions about whether they should now just carrying forward with the status quo, or what if anything, should be done about that.

While each pillar had the common problem of dealing with 'otherness', in many other respects, each was fundamentally different, not only in terms of the challenges, but even in terms of measurement. Perhaps gender diversity began to some extent first, because unlike LGBTI diversity, it can be easily measured. Culturally diverse LGBTI interviewees spoke of their different experiences growing up to 'white gay men', of the impact of conservative family backgrounds, and of concerns that involvement in communities and networks might negatively impact on career. Female LGBTI interviewees spoke of the more fundamental gender concerns regarding pay and promotion opportunities, as well as initiatives like flexibility that continued to clash with core organizational values of 'presenteeism'. For women, gender inequalities often remained the bigger concern, despite significant proportions of diversity budgets going to gender issues over sexuality initiatives. 'It is harder to be a woman [here in this firm] than it is to be a gay woman'. One male interviewee in a traditional female role (executive assistant) felt a pervasive misogynist culture within these firms. One culturally diverse LGBTI interviewee felt that not only promotion was a problem, but recruitment was still very homogeneous; 'I have joked before that it is a conveyer belt of privileged young white men who come to every single interview'.

4.7 The importance of safety

Many interviewees commented on the importance of safety at work, and that they felt safe employed within these firms. A range of initiatives contributed to an improved sense of safety, including social events, signage and clear statements of support from leadership, visibility and the inclusion of LGBTI partners in social events. A sense of safety enabled staff to feel they could be themselves at work, and also attracted talent to the firms. Business case language was linked to these arguments, with comments that performance improved with a clear sense of safety. Conversely, comments about feeling concerned to be oneself, were associated with comments about diminished productivity. The idea of safety was also evolving, with a developing focus towards the end of our study on also providing sufficient support to transgender staff, including support during any period of transition. Interestingly, while not specifically mentioned by any of our interviewees, the implementation of a range of state-based Occupational Health and Safety Acts around 2010, undoubtedly informed these arguments.

4.8 The value to employees

Interviewees provided a range of comments about the value of related developments. Most argued that related initiatives made them feel valued and respected within the firm. Others felt braver, more self-confident, safer, able to be more authentic, more included, cared for, supported and even 'loved'. Staff now felt energized at work, as opposed to emotionally drained. Any sense of bigotry and discrimination was now abating, and in the few cases where it was still experienced, staff felt there were effective avenues through which it could be addressed. Some commented on how they now felt some cohesion between their experiences of acceptance and inclusion in their private lives, and within the firm. These feelings enabled more creativity, allowed LGBTI staff to be more effective role models, and pushed heteronormative boundaries.

5. Challenges and opportunities

At the end of this study, several felt more was still required, that change was a constant, and so all of these initiatives and developments remained at risk, should the powerful come to reassess their instrumental value.

5.1 The challenges of different 'siloes' department cultures

Some spoke of the challenges of siloes departments within the firms, which in some cases meant that firm wide policies or leadership initiatives had limited impacts. The conservatism of tax and audit in particular, was raised by some. This meant that some LGBTI staff in those divisions felt a little more isolated. Culture within these traditional disciplines was perceived to be quite rigid, particularly given the tight rules-based norms within some divisions such as audit. LGBTI staff employed within such divisions felt some ongoing bigotry and isolation and discomfort with local 'boys club' cultures. There was a sense however, that all firms were now more 'corporatized' and doing more to drive change that responded to firm-wide policy, and that initiatives such as LGBTI networks provided important outlets for some more marginalized staff. Related to this was some discussion about the experience of working in smaller offices. For some, spatial smallness broke down the siloes of individual divisions, by connecting all staff in close proximity. For others, that smallness exacerbated a sense of isolation.

5.2 Transgender and intersex staff

While we managed to interview only one individual who identified as transgender, and none who identified as intersex, interviewees told us that all of the firms were in the process of engaging with needs specific to both transgender and intersex staff. Most had recently developed policy for transgender staff including time off during periods of transition, and some funding available to support change of wardrobe etc. Like many other issues however, there was not a lot of funding available for LGBTI diversity initiatives generally, and so this funding was also limited. Some spoke of challenges in the past for transgender staff including fear of coming out and lack of visibility, ignorance of needs, hostility including from lesbians and gays, difficulty in engaging with these communities as potential recruits, and a sense that existing LGBTI networks were not inclusive.

5.3 Conservative staff, partners and directors

Some spoke of a sense that more conservative staff including some religious individuals, might now feel increasingly marginalized in the face of increasing celebration of LGBTI events. On the other hand, continued work with more religious clients was also an uncomfortable prospect for some LGBTI staff. A careful engagement with education programs, and a firm consistency on core organizational values, were two key responses to related challenges. Something of a schism in workplace culture was evident, with at least two different cohorts of people. While the younger generation of staff were largely progressive, the partnership remained largely conservative (as well as 'white' and male). In addition to that, some spoke of differences between 'Gen X' and 'Gen Y' or 'millennial' staff, with those in their 30s and 40s more political and engaged, while those in the early 20s were somewhat 'blissfully unaware' of diversity concerns. A challenge here is unconscious bias; we tend to favour and seek engagement with those who we feel are like us.

Some LGBTI staff felt that limited support and encouragement from firm leaders was a core challenge. Many partners and directors were too silent, with many refusing to engage with what some saw as the 'non-issue' of supporting LGBTI staff. Interviewees argued that many partners felt there was nothing specific they needed to do. Several interviewees argued that this silence from the top explained why the focus on diversity was not shifting enough from rhetoric to substantive action, and why much of the substantive action that was developing, had come from bottom-up initiatives. Individual partners were not completely to blame. For all of us, operating within our patriarchal social framework of white male privilege, effects an ignorance we have to struggle to overcome. Firm priorities were also a challenge, with client delivery being the core goal, and then too many other activities competing for time beyond that. But we start to move past that leadership silence when for example, the firm as a whole takes a position (such as the support each firm offered for marriage equality, or the development of a firmwide transitioning policy).

5.4 Backlash?

Some comments were provided about backlash, but mostly in relation to gender where promotional targets are a key factor inducing some sense of backlash. In this sense, backlash is apparent where the 'other' feels that something has been taken from them. For example, men might feel there is reduced promotional opportunity available to them, until we get to 50% females in leadership positions. LGBTI staff were the subject of little 'special treatment' in this study, particularly given that none of the four organisations currently had LGBTI leadership targets. Some comment was provided however, about leadership training programs in one firm targeted specifically to LGBTI staff for which there was some negative reaction. Furthermore, in the early days of support for marriage equality some also spoke of backlash from clients and staff. Interviewees from the firm providing the leadership training to LGBTI staff vigorously defended the program, arguing that LGBTI staff often lacked confidence and so stood to gain a lot from accessing such training. Generally, there was a sense that LGBTI diversity focused on celebrating and giving something more to everyone, not taking anything away from anyone.

5.5 Limited funding and limited time

Several interviewees spoke of challenges relating to the limited amount of funding available to support diversity initiatives, competition for that funding from many secondary interests of the firms, and the limited time staff had outside core client delivery obligations to engage in related initiatives. Most were required to provide some demonstration of a 'return' to the firm from all activities in which it engaged. This was generally not onerous. For example, the return on attending a Pride march could be as simple as a narrative that argued that 'increased visibility' was achieved. In some cases, funding came from specific partner budgets, and so the ease of access depended on that partner's interests.

5.6 Reworking the focus from diversity towards inclusion?

For some, these challenges pointed to the importance of now focusing on inclusion over diversity, as diversity tends to emphasize difference which was difficult to engage with. In some firms, the focus had in fact recently shifted, from diversity and inclusion to inclusion and diversity. The idea of inclusion was that there ought to be a focus on tolerance and inclusion of everyone, encouraging and enabling everyone to thrive. However, some had concerns about these developments, particularly women. In focusing on inclusion, the concern was that the conversation shifts away from fundamentals such as recruitment and promotion, to talking about all existing staff, and encouraging all to be themselves. Women in particular remained concerned that many of the fundamental challenges that diversity had sought to address, might now fall to the wayside, including equal pay and promotion opportunities, which had still not been achieved. Comments about the importance of prioritising inclusion could therefore come across as a little glib, and were of concern where linked to arguments that we might ultimately be able to do away with specific diversity initiatives such as the networks.

5.7 Other suggestions

For others, it was now important to explore specific issues within each pillar. For example, women in the LGBTI community, family violence within the LGBTI community. Others felt it was now important to encourage more female and culturally diverse participation within the LGBTI networks. This may take time and advocacy from staff level champions and role models. Some effort had gone into related initiatives including PwC's 'Where are all the women' research, and studies exploring challenges for culturally diverse LGBTI staff to engage. Unsurprisingly in this industry, the collection of data was a key starting point for many. Others felt it was important for individuals experiencing intersectionality to now be encouraged to contribute to other pillars, attending events of other groups, and contributing stories etc. The challenge here however, is that you are talking about volunteers, and while people commonly have enthusiasm for these ideas, 'everyone is very stuck in their [dominant] own pillar' (as one interviewee put it). Several firms were now appointing overarching diversity and inclusion officers to provide support across all of the pillars, and look for points of connection. This also lent better engagement to senior management and encouraged better top-level support. Other initiatives like flexible work arrangements, an emphasis on inclusive language, some further pillar dissection including the development of queer women's networks, and policy that considers all pillars, were also an important part of a package of intersectional solutions.

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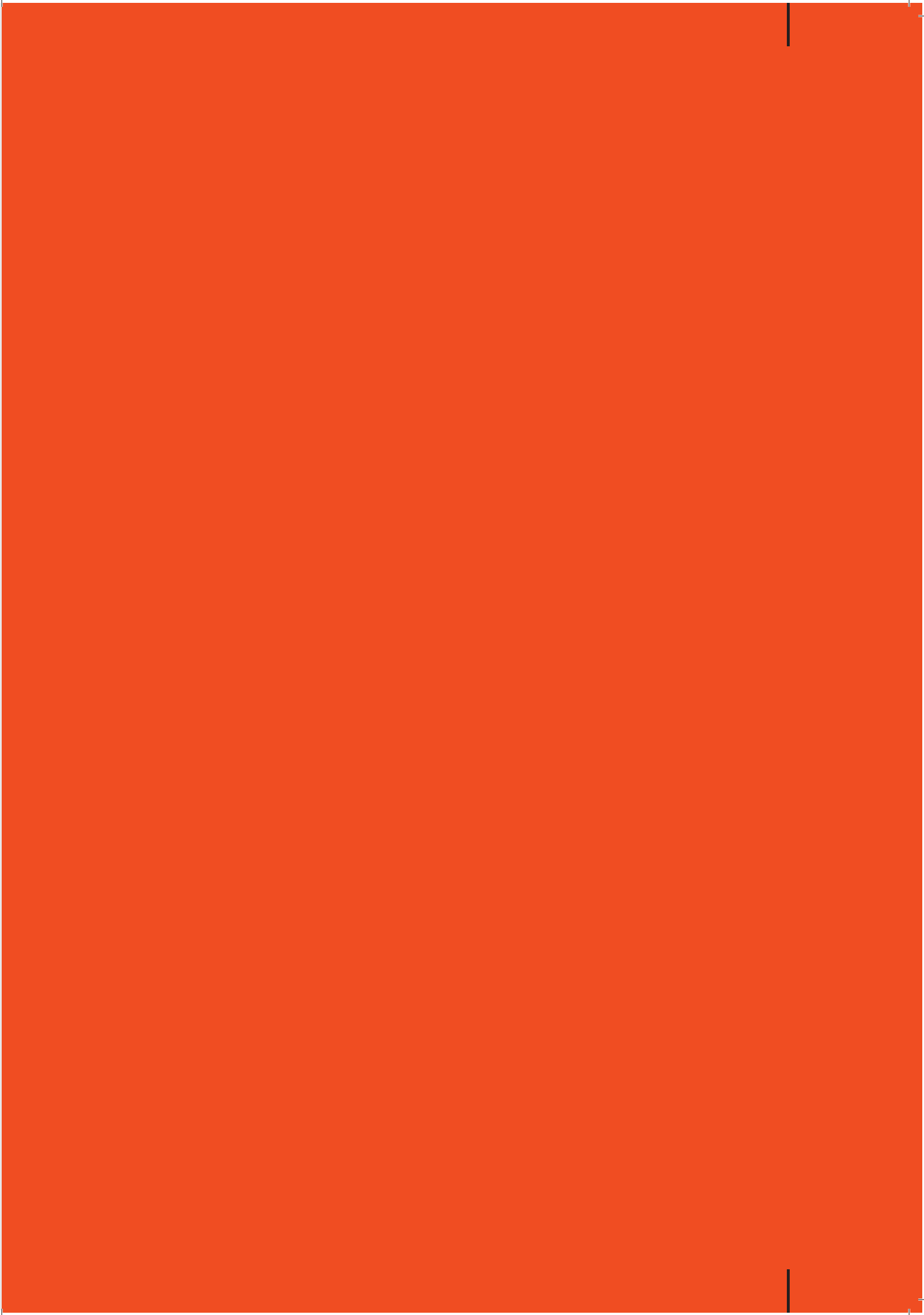
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Note on the use of Acronyms

Throughout this report we utilise the acronym 'LGBTI' which represents 'lesbian, gay, bisexual, trans and intersex'. Alternatives to this acronym are also used including 'LGBTIQ+', indicating 'lesbian, gay, bisexual, trans, intersex, queer, asexual and other'. We choose to use LGBTI because that was the acronym most commonly used by our interviewees.

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