I'm Confused: How Failing to Value Sexual Identities at Work Sends Stakeholders Mixed Messages

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In principle, we agree with King and Cortina (2010) that it is both an economic and social imperative for organizations to institute policies that support lesbian, gay, bisexual, and transgendered (LGBT) employees. Ultimately, we believe that a failure to support LGBT employees through policies and other organization-wide initiatives sends a negative message to stakeholders concerning an organization's current diversity initiatives. Because stakeholders' perceptions affect organizational outcomes such as corporate image and customer purchasing decisions (Brickson, 2007), their perspectives should be considered in an organization's key operating decisions (e.g., initiating new policies). Thus, we extend King and Cortina's arguments to consider an unexplored economic and social impact of firms failing to employ LGBT-supportive policies: sending mixed messages to multiple stakeholders.

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Mixed Diversity Messages

Organizations use policies as a way to communicate messages to employees and other stakeholders (e.g., the media, customers, shareholders). As Highhouse and Hoffman (2001) described, organizations use cues to send signals about their values to employees, who interpret them with heuristics (i.e., rules of thumb) that help them make sense of the organizational environment. Unfortunately, the literature suggests that many organizations are doing a poor job of sending clear signals where diversity is concerned (Avery & Johnson, 2007). It is often the case that employees and managers struggle with managing diversity as a consequence of having unclear and potentially conflicting goals and initiatives.

In the present case, the choice not to include LGBT policies as a part of an organization's diversity initiatives sends a mixed message to company stakeholders about current diversity efforts and the values of the company. For example, all companies are legally required to have policies in place to ensure the fair representation and treatment of multiple groups within the workforce (e.g., racioethnic, gender, religious groups). Consequently, companies have policies and procedures to manage diversity to abide by federal regulations. Therefore, when organizations elect not to have the same or similar policies and procedures in place for other groups (i.e., LGBT employees), they are sending (intentionally or inadvertently)

a signal to their stakeholders. Specifically, this choice sends a mixed message about an organization's commitment to diversity because the company is supporting diversity efforts for certain groups but not enacting the same procedures regarding other groups. Ultimately, these mixed diversity cues can be interpreted as conflicting information (Avery & Johnson, 2007). As such, stakeholders' perceptions of the company are affected.

Stakeholders' Perspectives

Employees. Employees constitute a large group of stakeholders who have interests in the successes and failures of the organization that employ them. If this group of stakeholders perceives mixed messages from their organization, it is not uncommon that they would want to reevaluate these inconsistencies in an effort to relieve the cognitive dissonance that mixed signals can create. In response to evaluating inconsistent diversity policies within an organization, employees might feel injustice in response to some groups (e.g., racioethnic minorities) having policies and procedures dedicated to their well-being while other seemingly equal groups (i.e., LGBT employees) are not taken care of by the organization in the same way. Thus, a possible response to mixed diversity messages could be increases in employees' injustice perceptions.

The research on organizational justice, defined as the perceived fairness of interactions and distribution of outcomes between individuals and organizations (Colquitt, 2001), suggests that organizational justice is related to employee attitudes and behaviors, such as organizational commitment, absenteeism, citizenship behavior, job satisfaction, and work performance (Cohen-Charash & Spector, 2001; Colquitt, 2001). Thus, according to theoretical frameworks such as fairness theory (Cropanzano, Goldman, & Folger, 2003; Folger & Cropanzano, 1998), in addition to the research on organizational justice, in response to mixed diversity messages, employees could mentally and physically withdraw from their organizations, thus affecting productivity, staffing, and turnover levels.

Customers. Additional stakeholders react to mixed diversity messages as well. For example, organizations' customers can be affected by the treatment they receive from the organizations' employees. If employees are a part of a company that does not protect its own LGBT employees through policies, they are likely to treat LGBT customers with the same unsupportive attitude. Alienating customers in this way affects the organization's bottom line through customer satisfaction, loyalty, and purchasing behavior.

Stockholders. As other stakeholders experience the aforementioned negative repercussions of mixed diversity messages, stockholders too are affected adversely. Companies with disgruntled employees and dissatisfied customers are likely to develop a negative reputation among prospective stockholders. For example, research shows that companies with more favorable diversity images tend to experience heightened stock performance relative to companies with less favorable diversity images (Roberson & Park, 2007; Wright, Ferris, Hiller, & Kroll, 1995). Thus, mixed messages resulting from failing to institute LGBT-supportive policies likely affect prospective and incumbent stockholders' willingness to invest in or remain vested in a company.

Competitors. The results of mixed diversity messages will give an organization's competition a strategic advantage. Essentially, the organization's competitors will gain the resources that the organization lost as a result of their inability to manage diversity effectively. For example, lost customers will likely use the competition's services. Further, employees who have quit will look for employment in a field that matches their current skill set—with the competitor. Thus, organizations are affected by mixed diversity messages because their losses are their competitor's gains.

Achieving the benefits. As King and Cortina noted, through their arguments to include

LGBT-supportive policies, diversity policies do not apply to one or two select groups in the workforce. Diversity initiatives are complex and should be managed as such. For instance, previous research indicates that diversity initiatives are as successful as the management of these initiatives (Jayne & Dipboye, 2004). Therefore, simply instating policies or paying lip service to procedures will not send a clear message to stakeholders either. LGBT-supportive policies should be implemented into the framework of the organization via clear, straightforward messages that are in accord with the organization's other diversity initiatives.

We should acknowledge that our argument rests on the assumption that everyone is entitled to equal employment opportunity, including LGBT employees. Unfortunately, not everyone might agree with this position, which likely partially explains the continuance of discrimination against LGBT individuals. For example, opponents of equal rights for LGBT employees might argue that instituting the supportive policies we advocate might increase pressure for legal protection of these individuals as a group. Because such individuals don't believe that members of the LGBT community are entitled to rights provided to everyone else, they wouldn't see the failure to support LGBT employees as a mixed message. Although we recognize this potential counter to our argument, we hope the proportion of people holding this inequitable perspective is a shrinking minority.

In summary, failure to integrate equal employment opportunity for LGBT employees constitutes a potential mixed diversity message. These mixed messages affect stakeholders' perceptions of organizations, which, in turn, affect the social and economic outcomes described by King and Cortina. In particular, these organizations are likely to experience greater turnover,

lower production rates, and a loss of customers. However, with properly developed and integrated policies providing an inclusive approach to diversity, organizations can avoid sending these potentially damaging mixed diversity messages to their stakeholders.

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