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SCHOOL OF ECONOMICS AND BUSINESS

MASTER'S THESIS

**DIVERSITY AND INCLUSION OF LGBTIQ+ COMMUNITIES AT
SLOVENIAN COMPANIES**

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LIST OF ABBREVIATIONS

AA	– Affirmative action
CSR	– Corporate social responsibility
D&I	– Diversity and Inclusion
DM	– Diversity management
EEO	- Equal employment opportunities
ERG	– Employee Resource Group
et al.	– And others
etc.	– Et cetera
e.g.	– Example given or for example
EQ	– Emotional intelligence
HR	– Human Resource
HRM	– Human Resource Management
i.e.	– That is
LC	– Large Corporations
LGB	- Lesbian, gay, bisexual
LGBT	- Lesbian, gay, bisexual, transgender
LGBTI	– Lesbian, gay, bisexual, transgender, intersex
LGBTIQ+	– Lesbian, gay, bisexual, transgender, intersex, queer and others
NGO	– Non-governmental organization
R&D	– Research and development
SME	– Small and medium-sized enterprise

INTRODUCTION

The importance of diversity and inclusion (D&I) is emphasized by many researchers and authors from the turn of the century (Cummings, 2004; Ely & Thomas, 2001; Erhardt, Werbel & Shrader, 2003; Jehn, Northcraft & Neale, 1999; Reagans & Zuckerman, 2001), as well as by more recent ones (Ben-Amar, Chang & McIlkenny, 2015; Derven, 2014; Dwertman, Nishii & Knippenberg, 2016; Hossain, Atif, Ahmed & Mia, 2019). By carefully reviewing papers from the past few decades, we can clearly see how D&I have gained in its importance, which positive outcomes it has brought, such as; improved employees well-being (Lloren & Parini, 2016), increased psychological safety (Singh, Winkel & Selvarajan, 2013), fostered innovation (Joshi & Roh, 2009), enhanced company's reputation and image (Bear, Rahman & Post, 2010), better financial performance (Baset-Jones, 2005), how it has become unambiguous, and how the focus of it has shifted across different underrepresented groups. One of the minorities that have come to the forefront of D&I in the past years, and demand further research, are the lesbian, gay, bisexual, transgender, intersex, queer and questioning (LGBTIQ+) communities.

Nowadays, organizations are increasingly recognizing the benefits of D&I and its management, no matter the size of the organization or the field of their operation. At the same time, there are many challenges that need to be considered carefully, systemically, and comprehensively. Beaver and Hutchings (2005) argued that managing diversity is a complex affair that demands sustained actions by human resource (HR) specialists to develop human capital. Implementation of D&I initiatives results internally as well as externally. Internally, these initiatives foster knowledge base and knowledge sharing (Cummings, 2004; Erhardt, Werbel & Shrader, 2003), increase creativity (Erhardt, Werbel & Shrader, 2003), improve innovation process (Erhardt, Werbel & Shrader, 2003, Campbell & Miguez-Vera, 2007), minimize "leave" rate (Bear, Rahman & Post, 2010), and bring a better understanding of a complex situation (Campbell & Miguez-Vera, 2007). Whereas externally, diversity leads to better social performance and improved reputation (Bear, Rahman & Post, 2010), expands an organization's pool of potential candidates, as well as talent for acquisition (Erhardt, Werbel & Shrader, 2003), and increases the organization's attraction to potential employees (Campbell & Miguez-Vera, 2007). The confluence of internal and external advantages yields improved long-term financial success (Campbell & Miguez-Vera, 2007).

However, the afore-mentioned benefits should not be taken for granted. To exploit the benefits and overcome the challenges of a diverse workforce, D&I management structures and processes must be in place (Cummings, 2004; Jehn, Nortcraft & Neale, 1999; Reagans & Zuckerman, 2001). These HR initiatives must be strategically planned and executed to bring organizational competitiveness and advantage on the long run (Beaver & Hutchings, 2005). Additionally, such a welcoming, inclusive, and appreciative organizational culture

requires a fundamental change in the thinking of HR representatives (Beaver & Hutchings, 2005).

Due to the historically discriminated and underprivileged position of LGBTIQ+ minorities in a larger society, these groups demand a sensitive and comprehensive D&I action plan for fair and respectful inclusiveness in the work environment. The presence of any kind of violence, discrimination, or non-acceptance represents a great factor in formation of a proper diversity climate and in the process of revealing sexual orientation, expression, or identity, or so-called process of coming out. Lloren and Parini (2016), stress out several benefits of bringing authentic self at work, such as positive psychological health, improved well-being, job satisfaction, organizational commitment, and decreased distraction, exhaustion, stress, and anxiety at work. Similarly, to the other types of diversity, also sexual orientation and sexual appearance diversities are connected to several benefits for the organization; financial savings through staff retention, increased productivity and spurred innovation (Hossain, Atif, Ahmed & Mia, 2019), improved job satisfaction and commitment (Lloren & Parini, 2016), increased creativity (Cunningham & Nite, 2020; Hossain, Atif, Ahmed & Mia, 2019), improved social performance, new diverse fan base and greater consumer loyalty (Cunningham & Melton 2014), and more altruistic work behaviour (Fatmy, Kihn, Sihvonen & Vahamaa, 2021). Furthermore, Hossain, Atif, Ahmed, and Mia (2019) emphasize that discrimination, hostility, and negative attitudes towards LGBT minorities, lead to higher absenteeism, lower productivity, and decreased performance. Lloren and Parini (2016) stress that workplace policies focusing on sexual orientation can also work against those minorities and provoke backlash against them. That is why D&I challenges have to be tackled systematically and comprehensively.

According to the Rainbow Europe Index (ILGA Europe, 2022), Slovenia ranks 21st among 49 European countries with 42% respect for the human rights of LGBTI people. It lags primarily in the fields of hate crime and hate speech (13%), legal gender recognition and bodily integrity (30%), and asylum (30%) of legislation in place. Which means that in total, Slovenia has regressed by 6 percentage points compared to 2018 (ILGA Europe, 2018). In line with that, Legebitra and ERA (2021) reveal a lack of understanding of administrative and legal procedures towards the specifics and needs of LGBTI minorities, resulting in a lack of including LGBTI specific measures and initiatives that would aim to improve the situation for LGBTI people in Slovenia. Discrimination and practical challenges in the field reported by Podpreka, Smrdelj, and Kuhar (2021), clearly call for further research and concrete actions.

The purpose of this master's thesis is to highlight the importance of D&I and D&I management, to emphasize the benefits and challenges of including LGBTIQ+ friendly practices and supportive policies in the heart of an organization and gain a better understanding in the process of revealing the individual's true self in the work environment. Moreover, the aim of this master's thesis is to dive deep into LGBTIQ+ members' experiences, emotions, and beliefs about their sexual identity in the context of the work

environment. Furthermore, I will aim to provide both the academic and the business world with potential benefits that can arise out of including the LGBTIQ+ minority in the workforce properly, and, in line with that, how to do it in the most sensitive, effective, and efficient way.

Finally, this master's thesis' objective is a systematic and comprehensive set of guidelines for inclusiveness of LGBTIQ+ minorities in the work environment. It will present proven good practices, supported by recommended actions for managers. It will consider obtained qualitative data, that will ensure a high level of sensitivity and respect.

The master's thesis addresses the following research questions:

- Research question 1: How does LGBTIQ+ diversity benefit the organization (internally and externally)?
- Research question 2: What are the biggest obstacles and challenges when implementing LGBTIQ+ friendly initiatives and supportive policies?
- Research question 3: Which factors contribute to inclusion of LGBTIQ+ members from individual and company's perspective?

Firstly, to illustrate a wholesome perspective, review of the literature, compilation and critical evaluation of extant theories and research has been done. The theoretical part was concluded by synthesizing findings from the examined literature and research. Secondly, the development of the comprehensive model for inclusiveness of LGBTIQ+ minorities tackled through qualitative research incorporating different perspectives. First, I connected with NGO Legebitra, which is a civil society organization, active in the fields of human rights, education, mental, physical, and sexual health, and advocates social and systemic changes, based on respect of sexual orientation, gender identity and/or gender expression (Legebitra, n.d.). Furthermore, they are also participating in a certification of an organization for obtaining LGBT-friendly title, issued by Mestna Občina Ljubljana (MOL, 2021). Legebitra representatives provided me with the most common practical challenges from the field and current hot topics, and connected me with decision makers of LGBT-friendly certificated organizations, to whom I could not access otherwise due to general data protection regulations (GDPR). Decision makers (managers and HR specialists) were interviewed to obtain first-hand experiences, challenges, and obstacles of implementing and maintaining LGBTIQ+-friendly practices in the work environment. The second part of the qualitative research was conducted via individual deep interviews with members of LGBTIQ+ communities. A sample of fourteen people were interviewed. Six employees from the LGBTIQ+ community, six decision makers from LGBT-friendly organizations, one representative of an NGO focusing on the LGBTIQ+ minority, and one D&I expert who specializes in LGBTIQ+ minority. By exploring their personal experiences, deep insights into their everyday perspective, process of (not) coming out, beliefs, etc. were obtained. First-hand experiences served as a foundation for developing sensitive, respectful, and comprehensive guidelines for inclusion of LGBTIQ+ minorities in work environment.

Finally, the final list of recommendations (The RainbowPrint: 21 Initiatives to LGBTIQ+ Equity) was reviewed by the aforementioned D&I specialist and NGO Legebitra, to double-check it from the practical point of view and finalize the last details.

This master's thesis is divided into four main parts: 1.) a theoretical review of the D&I field; 2.) a theoretical background focusing on LGBTIQ+ diversity specifically; 3.) a research part with the sample, methods, and results provided, and 4.) recommendations and applications for practice. The first chapter covers the field of D&I and explains related key terms, their importance, outcomes, and challenges. The second chapter presents the connection between the field of D&I and LGBTIQ+ diversity and dives deeper into the benefits and challenges connected to this minority. The third chapter follows, which presents the whole research part of the master's thesis – its sample, methodology, results, limitations. This chapter ends with a discussion answering the three research questions. The master's thesis concludes with the fourth chapter, which provides recommendations and applications for practice in the form of an action plan with recommended LGBTIQ+-friendly initiatives.

1 DIVERSITY AND INCLUSION AND DIVERSITY MANAGEMENT

1.1 Definitions of key terms

HR world. Beautiful, but delicate and fragile. “In a moment” phenomena, but with deep-rooted traditions and patterns. At times intuitive, but with many complex reciprocal psychological mechanisms that we must fully embrace. The HR world is flooded with many terms and concepts that, to understand this thesis, must be clarified at the very beginning. Shen, Chanda, D’Netto, and Monga (2009) describe HRM as a set of specific activities, operations, and procedures that are intended to attract, direct, and maintain human resources in an entity. According to Basset-Jones (2005, p. 169-170), diversity “encompasses a range of differences in ethnicity/nationality, gender, function, ability, language, religion, lifestyle or tenure”. Moreover, he emphasized that diversity in the work environment goes beyond demographic backgrounds and embrace differences in culture and intellectual capability. Diversity has been, throughout time, defined in many ways by various authors. Definitions distinguish one from another depending on the importance of the “problematic” (Reagans & Zuckerman, 2021), trends in the work environment (Bear, Rahman & Post, 2010), and stakeholders’ concerns of the time (Kyaw, Treepongkaruna & Jiraporn, 2021). The diversity and inclusion field is gaining on its’ importance due to rapid economic developments, such as; internationalization, globalization and less restricted labour markets resulting in increased workforce diversity (Singh, Winkel, Selvarajan, 2013; Kearney & Voelpe, 2012), societal pressures towards equality and integration (Singh, Winkel & Selvarajan Diversity, 2013), enhanced mobility (Kearney & Voelpe, 2012), and emerge of related fairness and discrimination policies (Di Marco, Hoel & Lewis, 2021), the rise of online working and

virtual teams (Hung, Cheng, Hou & Chen, 2021). McGrath, Berdahl, and Arrow (1995) define diversity as characteristics of groups of at least two people, that usually refers to demographic differences among individuals.

Roberson (2006, p. 217) describes inclusion as “the degree to which employees feel part of essential organizational processes”. Diversity management “refers to the systematic and planned commitment on the part of organizations to recruit and retain employees with diverse backgrounds and abilities. It is an activity that is mainly found within the HRM training and development domains of organizations” (Basset-Jones, 2005, p.170). D&I management is defined as “the aggregate effect of HRM sub-systems, including recruitment, reward, performance appraisal, employee development and individual managerial behaviors in delivering competitive advantage through leadership and teams work” (Basset-Jones, 2005, p. 173). Dwertmann, Nishii, and Knipperberg (2016) defined diversity climate as a “employees perception about the extent to which their organization values diversity as evident in the organization's formal structure, informal values, and social integration of underrepresented employees”. Goyal and Shrivastava (2013) claim that organizational diversity climate reflects how employees perceive the outcomes of workplace harassment and discrimination. “It represents the ‘culture’ of diversity” they add.

Moving from the organization-related terms to more personal terms. According to Singh, Winkel, and Selvarjan (2013, p.243), psychological safety is “perceived freedom in the expression of true self, that is, whether an individual feels confident in expressing his/her ideas and beliefs without fear of negative consequences to self-image or career prospects”. Whereas physical safety refers more to the possibility of encountering physical harm. According to Altugan (2015), cultural identity encompasses an individual's nature, nurtured through their experiences, talents, skills, beliefs, values, and knowledge. It defines who we are, roles within a family, school, work, environment, country, and the broader global context. Kirkup, Airton, McMillan, and DesRochers (2020) describe gender identity as an individual's personal, internal perception of their gender, which can include identifying as a woman, a man, both, neither, or anywhere within the gender spectrum. This identity might or might not match the sex that was assigned to them at birth. Gender expression on the other hand, they describe as how an individual outwardly conveys or manifests their gender to the public sphere. As examples they state behavior, outward appearance, a person's chosen name, and pronouns.

And finally, let's dive into the world of LGBTIQ+. The following terms are summed up by definitions of Queensland Human Rights Commission (no date):

- Lesbian: a woman who is primarily attracted to other women.
- Gay: who is predominantly attracted to people of the same sex. It can refer to any gender (e.g., gay man, gay woman, gay person).
- Bisexuality: defined as a sexual attraction to both men and women. Also known as bi.

- Trans: is an umbrella term that encompasses all gender identities, including (but not limited to) those who identify as transgender, transsexual, gender queer, gender fluid, non-binary, sistagirl, brotherboy, transman, or transwoman.
- Intersex: People born with physical sex features that do not conform to medical norms for female or male bodies.
- Queer: Queer is a term used by LGBTI individuals to encompass the entire LGBTI community. It's worth noting that queer is an insider expression.
- Asexual: an individual who typically lacks sexual attraction or interest towards any specific group of people.
- The '+' symbol: represents lesser-known gender identities and sexual orientations not explicitly covered by the term LGBTIQ

1.2 Importance of the D&I field

The fact that teams are becoming increasingly diverse has already been stressed out by Jehn, Northcraft, and Neale (1999) more than two decades ago. They argue that teams are becoming diverse on many different dimensions, such as age, gender, ethnicity, etc. Reagans and Zuckerman (2001, p.513) stress out that “diversity is not inherently an either-or phenomenon”. Moreover, Shen, Chanda, D’Netto, and Monga (2009), point out that diversity has become a serious issue and challenge in political, legal, corporate, and educational field. They stress out that “a diverse workforce comprises a multitude of beliefs, understandings, values, ways of viewing the world, and unique information”. Having this in mind, we can conclude that diversity and inclusion should be tackled carefully and systematically.

Cummings (2004) advocates that structural diversity is an important concept that can bridge group members to the larger organizational context. As managerial implications he suggests following three guidelines; (1) to design work groups with members that have strong external networks and value using it, (2) to work on improving connectivity among employees by knowledge sharing initiatives, and (3) to enhance a culture that supports knowledge sharing. Knowledge sharing is binded with group effectiveness, and its value increases when groups are more structurally diverse (Cummings, 2004). He argues that individuals of a structural diverse team have a potential to expose themselves to different sources of task information, know-how, and feedback. He also emphasized the importance of external knowledge sharing and its superiority above internal one, by elaborating the idea of members to encounter unique knowledge, that has not been shared previously within the group. Furthermore, Burt (1992) argued that unique knowledge sources can be more valuable than knowledge sources shared by everyone.

Importance and benefits of diversity in organizational context are not in doubt, but Jehn, Northcraft, and Neale (1999) emphasize that some similarity in perspective among team members is essential to ensure enough common ground to foster successful interaction. The

fact that people bond over similarities; similar values, attitudes, preferences, etc. is not to be overlooked. Similarities also serve as a unifying factor and have a positive effect on an easier integration into a new group, faster and better relationship building, and easier disclosure of your individual self. Singh, Winkel, and Selvarajan (2013, p.244) stress out that expression of individual's true self is "fundamental to individual identity and is a necessity in a diverse workplace". They argue that individuals organize themselves into social groups based on personal characteristics to seek a positive self-concept. Self-concept is, according to Tajfel (1978 in Singh, Winkel & Selvarajan 2013, p.245) "individual's perception of self, derived from that individual's knowledge about him/her membership in a social group and the importance ascribed to that membership". Besides seeking a positive self-concept, individuals are going after memberships in social groups that they can easily blend in with their identity. Ashforth, Harrison, and Corley (2008) emphasize that expressing true self without any fear is essential for individuals in the process of identification and belongs among basic human needs. Singh, Winkel, and Selvarajan (2013) focus that identification with social group brings many benefits, such as; stronger and reaffirmed individual self-concept, higher harmony of self-expression, and individual identity.

1.3 Human Resource Management and Diversity Management

According to many authors (Bell, Özbilgin, Beauregard & Sürgevil, 2011; Button, 2001; Deshpande, 2018; Shen, Chanda, D'Netto & Monga, 2009), managing workforce diversity is one of the biggest challenges of managers. Shen, Chanda, D'Netto, and Monga (2009, p.235) stress out the wide existence of inequality and discrimination in organizations. They found out that HRM is mainly addressing the challenges related to equal employment opportunities (EEO) and affirmative action (AA), and not so much on valuing, developing, and making use of diversity. Authors alert that managers must incorporate this in their strategy. Differences among group members calls for different HR approaches, policies, and leadership and management styles. Here diversity management kicks in. Diversity management (DM) is a sub-system of HRM (Baset-Jones, 2005). HRM is a moral obligation on the part of organization (Greene, Kirton, 2023), but DM goes beyond business need, it is an ethical need (Rabl, Triana, Byun & Bosch, 2018). They describe DM as an organizational policy area, in which identifiable dimensions require exploration to create understanding of firms' ethical duties regarding their diverse workforce.

Hossain, Atif, Ahmed & Mia (2019, p. 777) described diversity in the context of the workplace as a "coexistence of employees from various socio-cultural backgrounds". Grobler, Moloi, Loock, Bisschoff, and Mestry (2006) emphasized that diversity management is systematic and planned organizational commitment of recruiting, retaining, rewarding in promoting a heterogeneous workforce. Ely and Thomas (2001) describe cultural identity as a socially constructed, dynamic and complex phenomenon, which leads to the formation of social groups. Furthermore, they emphasized that distribution of power among cultural identity groups (within the organization as well as in the larger society) is crucial to the way

people think, feel, and behave in the workplace. That is why diversity management and related initiatives must be in place. Ely and Thomas (2001) argued that organizations' members need to adopt cultural differences among team members as an important knowledge resource. Basset-Jones (2005) emphasized that diversity management has involved out of social policies created to promote equality, which historically strived for delivering equal opportunities for social groups suffering from disadvantages. He explains that HRM sub-systems (such as DM) define the borders of managerial discretion in termed the spectrum of diversity. He argued the link between the organizational ability to sustain high commitment within the workforce and sum of attitudes, skills, and behaviours of an individual manager.

Deshpande (2018, p. 1) define DM as “a strategic process to manage a diverse workforce-including the fight against stereotypes, prejudice and all kind of discrimination due to the individual perceptions and assumptions in the manner to maximize the benefit and minimize barriers of different opinions, behaviour and attitudes of human beings within a company. Connection between sustained business growth, workforce diversity, workplace inclusion, and intercultural competence”. Moreover, she elaborates DM as an elemental approach of HRM that endorse and respect the contribution that has been brought by all groups within the organization, no matter the differences in race, gender, age, sexual orientation, nationality, etc. Shen, Chanda, D’Netto, and Monga (2009) describe it as a strategic people-centred approach, that deals with individual differences, individual well-being and development, and contribution of human capital to business strategy. The authors add that DM is not only about recognizing those differences, but also value and harnesses them. They argue that only by doing so, individual talents can be fully utilized, and organizational goals fully achieved.

Beaver and Hutchings (2005) emphasized that the management of diversity is a complex phenomenon, that must go beyond the simple well diverse workforce, and make a sustained efforts by HR specialists. Creating an inclusive and respectful diverse climate needs a systematic and strategic plan, suitable to generate a fundamental change in the thinking of HR specialists and decision makers. They conclude, that working in diverse workforce and managing is about “ensuring the development of the human capital of all employees”. Shen, Chanda, D’Netto, and Monga (2009) warn that different groups, positions, and levels within the organizations do not possess the same perception of diversity management or success of the implemented policies and programs. As argued by them, a culture of inclusion that encourages teamwork, participation, and cohesiveness is needed for diversity management to be effective. Moreover, they stress that diversity culture should be “emphasized in organizational vision, mission and business strategy and the HRM strategy” (p. 242). They elaborate that it should be the centre of HR strategies and practices. They pointed out that effective HR strategies should be focused on increase in organizational learning, flexibility, creating and sharing knowledge, and development of a work environment, which are encouraging for the diversity management itself. Hossain, Atif, Ahmed, and Mia (2019)

stress out that DM should focus on making the most out of the uniqueness of a diverse workforce. Kossek, Lobel, and Brown (2005) argue the importance of measurement of diversity and its management and highlight it as an initial step in HR diversity management practice.

1.4 D&I outcomes and challenges

Diversity is associated with many positive outcomes as well as numerous challenges. Challenges are mainly related to managing diversity properly, which will be presented later in the chapter. Diversity outcomes however, derived from different mechanisms, processes, or leverages, that are caused by a well diverse workforce or environment. Dwertmann, Nishii, and Knippenberg (2016, p.1137) metaphorically characterize diversity as a “double-edged sword”, due to its ability to present obstacles for organizational and individual development on one hand, and source of cognitive variety, that can lead to certain benefits, on the other hand. Basset-Jones (2005) argued the dynamics of diversity vary based on demographic patterns among different cultures. Same can be expected for D&I outcomes and challenges. Ely and Thomas (2001) have studied the relationship between cultural identity diversity and work group functioning. They have identified three intermediate group outcomes: quality of intergroup relationship, degree of feeling valued and respected, and meaning and significance of cultural identity at work.

Beaver and Hutchings (2005) emphasize the strong linkage between strategic HR approaches and organizational competitiveness and advantage, proven by theory and practice. They stress that approaching to training and development of human resources strategically, benefits the organization by improving the competitive position through organizational flexibility to better deal with uncertainty of the business environment. According to Dwertmann, Nishii, and Knippenberg (2016, p.1137), diversity climate consists out of two major perspectives; fairness and discrimination perspective, and synergy perspective, whereas the second one is poorly integrated in diversity climate research. Furthermore, they point out that diversity climate focuses on teaching us how to prevent potential negative outcomes of diversity, by “encouraging the exchange and integration of diverse information”

According to Steane (2002), organizations that struggle to grasp workplace diversity may have misunderstandings that prevent them from taking advantage of the experiences and perspectives of diverse human capital. Singh, Winkel, and Selvarajan (2013) emphasize that hostile and non-inclusive work environments do not affect only groups that are directly affected by discrimination, but also indirectly provokes uncomfortable setting for the others.

1.4.1 Internal outcomes

Reagans and Zuckerman (2001) argue that diverse workforce requires more interpersonal communication, which leads to greater coordination and finally to higher productivity.

Furthermore, they stress out the learning phenomena among different individuals, that can occur only in heterogeneous groups. Positive outcomes were already elaborated by Cassel (1996) in the late 90's, where she summed up that valuing diversity may become a source of competitive advantage, increase in quality of organizational life and, nevertheless, beneficial from the business point of view. Furthermore, employing individuals with various knowledge and perspectives improves decision making (Campbell & Minguez-Vera, 2007, Erhardt, Werbel & Shrader, 2003) through higher expertise (Bear, Rahman & Post, 2010), fostered creativity (Reagans & Zuckerman, 2001) and improved conflict management (Jehn, Nortcraft & Neale, 1999). Other authors (Baset-Jones, 2005; Shen, Chanda, D'Netto & Monga, 2009) also emphasize better decision-making in heterogeneous groups compared to the homogeneous ones. They argue that heterogeneous groups possess different perspectives, background knowledge, and diverse set of recommended approaches to tasks or solutions, which in turn trigger group discussion, resulting in better and broader decisions. Basset-Jones (2005) emphasizes that creativity and innovation are a cornerstone for competitive advantage. Additionally, diversity in terms of diverse functionality in combination with greater education, improves decision-making. Erhardt, Werbel, and Shrader (2003) explain that diversity first lead to conflicts, but if those are managed properly (integration and communication), the outcomes are improved (better decision-making). They conclude that "diversity tends to generate higher creativity, innovation and quality decision-making at individual and group levels". Additionally, they argue that diversity positively influences the firm's competitive advantage through improved knowledge, creativity, and innovation.

Joshi and Roh (2009) emphasize the importance of functionally diverse workforce to generate alternative solutions and enhance innovation. Ancona and Caldwell (1992) also emphasized an interesting aspect of diverse workforce and related outcomes. They argued that members who joined the organization at different times, possess a different technical skill, have connections with different people, and have different perspectives on the company's history. Ely and Thomas (2001) agree that individuals of heterogeneous groups have different point of view, but at the same time point out that it is not important what those perspectives are and who hold them, but rather the diversity itself. They explain that heterogeneous groups are more likely to generate a diverse set of recommended approaches to assignments or solutions to problems, which in turn enhance the effective group discussion, leading to decisions of higher quality. Same ideas were also shared by Reagans and Zuckerman (2001), as they ascribe an enhanced capacity for creative solving problem to heterogeneous teams. Furthermore, Murray (1989) points out that increase in network heterogeneity promotes learning and in combination with increased creativity results in improved team performance. Dwertmann, Nishii, and Knipperberg (2016) emphasize that positive diversity climate at the organizational level leads to improved diverse representation throughout the whole organizational hierarchical levels and its functions. A positive fairness and discrimination diversity climate encourage and promote the social inclusion and integration of communities that have been discriminated throughout the history (Brass,

1984). Furthermore, it should enhance experiences of inclusion and reduce experiences of discrimination and harassment (Dwertmann, Nishii & Knippenberg, 2016). In line with the critical mass theory developed by Oliver, Marwell, and Teixeira (1985), Ely and Thomas (2001) emphasize that an increased number of individuals from underrepresented groups leads to elimination of barriers from other employees towards the minority and creates a more effective environment. They spotlight that synergy outcomes emerge when diverse members of a group embrace a learning and integration perspective. Adopting these behavioural patterns ensure that members of minority groups feel fair and respective treatment which eliminates pressure by the dominant groups (Nishii, 2013).

Avery et al. (2013) emphasizes that employees who work in an environment where diversity climate is positive, are more likely to show a positive work attitude than the ones working in an environment with unfavourable diversity climate. Diversity and inclusion policies lead to improved diversity climate (Dwertmann, Nishii & Knippenberg, 2016), which consequently result in positive organizational outcomes such as better engagement (Volpone, 2012), organizational commitment (McKay & Avery, 2005), intentions to stay or leave the organization (Avery et al., 2013), greater satisfaction (Webster, Adams, Maranto, Sawyer & Thoroughgood, 2018), and trust towards management (Basset-Jones, 2005).

Similar discoveries have been found by Singh, Winkel, and Selvarajan (2013). They found out that supportive diversity climate has a positive impact on psychological safety of employees. They argued that fundamental is to establish a supportive diversity climate which is foundation for employees' psychological safety, that may lead to improved employees' performance. Moreover, they found out positive linkages between psychological safety and organizational citizenship behaviour and in-role behaviour (directed toward organization and towards the individual). According to Kark, and Carmeli (2009) psychological safety positively impacts employees' engagement, commitment, creativity, and learning behaviours. Furthermore, Dwertmann, Nishii, and Knippenberg (2016) stress out the positive linkage between positive diversity climate and psychological safety, and in turn with greater belonging to an organization and more dedicated behaviour.

Singh, Winkel, and Selvarajan (2013) discovered that psychological safety works as a mediator in the relationship diversity climate – employee performance. Their results indicate the importance of psychological safety which enables employees to feel confident and consequently willing to reveal their true selves without fear of judgement. Furthermore, an inclusive and welcoming climate encourage employee's feeling of unity and oneness with a company, resulting in proactivity and greater willingness of going "an extra mile" for the organization (Van Knippenberg, 2000). Singh, Winkel, and Selvarajan (2013) emphasize that supportive diversity climate has a positive impact on process of formatting and expressing of individual's identity in the workplace. Moreover, a psychological safe environment brings a greater level of comfortability and therefore greater freedom of expressing concern and doubts, which impact individuals' behaviour. Moreover, it reinforces self-confidence and may minimize feelings of anxiety and insecurity (Ashfort,

Harrison & Corley, 2008). Singh, Winkel, and Selvarajan (2013) conclude that climate that works like that encourage positive behaviours that benefit the organization. However, Jehn, Northcraft, and Neale (1999) point out that benefits should be expected only to the extent that workgroup members successfully manage the difficulties of interacting effectively with dissimilar others. Moreover, researchers (Singh, Winkel & Salvarajan, 2013; Van Knippenber, 2001) found out that positive employees' conditions do not necessarily means improved individual performance. They alert that individuals must feel comfortable enough to generate good results.

1.4.2 External outcomes

Shen, Changa, D'Netto & Monga (2009) argue that external benefits arouse from the combination of the internal synergies. Moving up to the hierarchical ladder, positive diversity outcomes have been found also in the diverse board composition. Bear, Rahman, and Post (2010) conducted research of the impact of board diversity and gender composition on Corporate social responsibility (CSR) and firm reputation. They found out that that high diversity of board directors positively influences the corporate reputation through CSR as a mediator. Positive corporate reputation further leads to many positive outcomes such as higher retention rate, improved corporate branding, better financial performance, higher employees', and talents' attraction, etc. Same ideas are shared by Beaver and Hutchings (2005), who argue that organizations that capitalize on managing diversity better could enjoy the status of preferred employer of choice. Tones of economic arguments lie behind the idea of employing the best and the most talented candidates, regardless of their characteristics, such as beliefs, values, sexual orientation, gender, age, etc. (Campbell & Miguez-Vera, 2007). Bear, Rahman, and Post (2010) claim that diversity of board directors act as a signal for various stakeholders, such as investors, potential employees, medias, etc. They argue that diversity of board influence corporate reputation through corporate social responsibility as a moderator. Corporate reputation is associated with a broad range of benefits, e.g., lower turnover rate, higher attraction of potential candidates, access to new markets, corporate branding, overall job satisfaction, credibility, better financial performance. Improved financial performance on the long-run is achieved through positively affected investors' actions (Campbell & Miguez-Vera, 2007) and improved consumers affection towards the organization (Hossain, Atif, Ahmed & Mia, 2019). Moreover, it sends a strong signal to all minorities about the inclusive organizational culture (Cunningham & Melton, 2014). Having this idea, of gender diversity of board directors and positive organizational outcomes in mind, we could imply this logic also on other types of diversity, such as race, national, age, sexual orientation, etc. This goes hand in hand with the essential idea of diversity – the more diverse you are, the more perspectives you can consider.

Positive externa outcomes are additionally emphasized by Basset-Jones (2005), who also highlights the link between diversity and better interference with markets. He emphasizes that broader network of contact again leads to better decision making followed by better

responsiveness. By having a diverse workforce, companies can access different social network outside the company. Same findings were also shared by Shen, Chanda, D'Netto, and Monga (2009), and elaborated with the idea of accessing changing markets by mirroring their increase in diversity. Murray (1989) builds up that heterogenous groups can better respond to dynamic of changing markets as well as they are more keen and less rigid of organizational change. Hiring diverse employees allow organizations to access markets that might otherwise be tough to conquer (Ely & Thomas, 2001), contact with different social networks outside the organization and foster knowledge-sharing externally (Cummings, 2004). Ely and Thomas (2001) stress out that cultural diversity is a potentially valuable resource that organizations can use not only as a tool or a lever to enter the unattainable niche markets, but also as its core, to rethink and restructure their primary tasks.

1.4.3 D&I challenges

Basset-Jones (2005) emphasizes that organizations that embrace high-commitment orientation are by default faced with various challenges. Approach of those organizations to HRM aim to keep staff turnover rates low, increased retention of employees and scarce skills, which creates difficulties in creating a preferred diverse workforce, but rather rely on homogenous workforce which is less inclined to conflicts. Moreover, he emphasized that different patterns of diversity mean different managerial challenges and therefore different leadership approaches. He argues that effective D&I management should be conducted by appropriately trained managers that need to understand challenges of diversity management with highly develop emotional intelligence (EQ) and commitment.

One of the most frequent diversity-related challenges is information sharing. Jehn, Northcraft, and Neale (1999) illustrate that only successfully managed groups are able to share information across functional and cultural borders. Same authors stress out the raising importance of groups to companies, and how they are becoming the crucial and central for organizations. In line with that, they are warning about coordination, motivation, and conflict problems. Elron (1997) finds out the positive relationship between cultural heterogeneity and levels of issue-based conflict. He points out that in terms of team performance, issue-based conflict and cohesion are positively related, which is tied to organizational performance. Lau and Murningham (1998) emphasize that generating more opinions and critical questions, means increased in time consumption and decrease in efficiency. Zenger and Lawrence (2017) agree that homogenous groups are expected to perform at higher level than heterogenous ones, mainly due to easier coordination. Basset-Jones (2005) illustrate that diversity might negatively influence group cohesiveness, communication, work quality, and trust. Moreover, it can produce ingroups and outgroups, create discord, and lead to lack of customer focus and market orientation. Regarding cohesiveness, he argues that it can be harmed by conflicts emerging from diversity, but however, cohesiveness itself makes the workforce vulnerable to thinking alike. Like many other researchers and authors, he concludes that successfully managed conflicts generate more alternatives and enable better

critical evaluation. That is achieved via a diverse set of individuals which generate and combine ideas and subject those ideas into critical evaluation.

Some authors (Hambrick, Cho & Chen 1996; Maznevski, 1994) argue disadvantages and barriers of heterogeneous groups compared to homogeneous, such as inferior and slower decision-making, rigidity in action and responses in general as well as to competitors' initiatives, and higher possibility of aroused conflicts. Despite that, the same authors argue that diversity has the potential to considerably benefit group decision-making and therefore overall performance. As the key mediator, Maznevski (1994) stresses out the enhanced integration and communication. Hambrick, Cho, and Chen (1996) emphasize that higher workforce diversity leads to higher expenditures, due to increased integration of D&I initiatives to support different types of employees, higher time consumption and exaggerated conflict management. Higher expenditures can be a greater barrier for smaller organizations. Argys and Schön (1978) argue that aroused conflicts can be settled down by a process of joint inquiry once a group see cultural differences among its members as an important resource for learning how best to accomplish core work. Basset-Jones (2005) underlines that diversity can also be a source of misunderstanding, suspicion, and conflict, which might lead to absenteeism, reduced quality and morale, and loss of competitive advantages. Furthermore, he emphasizes the paradoxicality of diversity by explaining how organizations seek diversity to gain competitive advantages, but spontaneously they risk of losing it.

According to Singh, Winkel, and Selvarajan (2013), a diverse work environment brings more individual differences which more likely lead to a more reserved process of revealing true self. Here, again, the great importance of psychological safety kicks in. Moreover, they stress that unsupportive climate could lead to increased fear for revealing true individual identity and expressing fully and lower level of confidence. According to Kark and Carmeli (2009), environments that not established the level of psychological safety high enough, could result in employees' fear of speaking honestly, reporting problems or mistakes, searching for a feedback, help or additional resources, and lower engagement in organizational activities. In addition, Singh, Winkel, and Selvarajan (2013) stress out that psychologically unsafe environment comprises elements of fear and uncertainty, that negatively impact employees' focus on tasks.

Shen, Chanda, D'Netto, and Monga (2009) warn that one of the challenges of implementing and executing diversity training is reflection of desired culture. They argue that most of such initiatives could reinforce factors (norms, values, perspectives) of the dominant organizational culture. They also highlight that implementation is more an issue of talk than of actual practice. Furthermore, implementation is an even greater challenge when it comes to remote branches, subsidiaries, or overseas operations. Many authors (Reagans & Zuckerman, 2001; Shen, Chanda, D'Netto & Monga, 2009; Singh, Winkel & Selvarajan, 2013) spotlight the possibility of employees' initial resistance and backlash to the implementation of initiatives that deviate from individuals' norms, beliefs, and perspectives.

Moreover, they argue that lack of effective HR policies could lead to promotions based on similarity of cultural background and experiences and occurrence of the glass-ceiling effect.

As one of major issues, Gross-Gołacka, Kupczyk and Wiktorowicz (2022), highlight the ability to measure diversity management policies. They argue that diversity, inclusion, and management are not clearly observable constructs, making them difficult to measure and quantify. Additionally, they point out the absence of criteria for monitoring diversity policy, and hence the absence of a universal measurement tool. Dwertmann, Nishii, and Knippenberg (2016) identified three core issues of diversity climate in practice. Firstly, the fact that diversity climate is understood as unidimensional, whereas research suggest more perspectives of it. Secondly, the lack of systematic and theoretical analysis and therefore misleading data. And finally, integration of improper factors (non-climate elements) when measuring diversity climate. Beham, Straub, and Schwalbach (2012) emphasize that relationships between diversity measures and outcomes are complex and based on a variety of contingencies. Shen, Chanda, D'Netto, and Monga (2009) point out that lack of systems for identifying diversity shows low involvement of upper management (especially CEOs) in the human capital. Managers are usually results-oriented, and they may lack interest in not-quantified results.

1.4.4 Dealing with challenges and seeking positive outcomes of diversity management

Singh, Winkel, and Selvarajan (2013) highlight that organizational appreciation for diversity transmits a clear positive message not only to minorities, but to all employees. Companies that want to embrace D&I policies have to put in place HRM and DM strategies that will, via suitable leadership, encourage trust and inclusiveness, that will capitalize the advantages of diversity (namely creativity and innovation) and enrich the organization (Basset-Jones, 2005). Cummings (2004) argues that organizations need to be structurally diverse and have policies in place to provoke even greater knowledge sharing, both within and outside of the organization. He stresses out that with structurally diverse organizations expose to different sources of task information, know-how sharing, and feedbacks are enhanced. Furthermore, he describes structural diversity as “an important concept for bridging group members to the larger organizational context”. Similar findings are elaborated by Shen, Chanda, D'Netto, and Monga (2009). They argue that crucial steps towards valuing diversity are information sharing, transparency, and constructive-based conflict management. Reagans and Zuckerman (2001) also spotlight the importance of communication in diverse teams. They argue that diverse teams need frequent communication to ensure greater coordination which is bind with higher productivity. In their study, Erhardt, James, and Werbel (2003) found out that diversity is associated with effectiveness, where mediator is a conflict which enables a broader range of opinions to be considered. Moreover, the successfully managed conflict itself could be one of the tools for minimizing the potential agency issues. They recommend that managers should be educated and skilled in conflict resolution.

Dwertmann, Nishii, and Knippenberg (2016) stress out that one of the first challenges to achieve synergetic outcomes is employees' openness towards and valuing diversity. Shen, Chanda, D'Netto, and Monga (2009) describe the encouragement of effective integration of diverse team members as the main purpose of diversity training. They argue that such trainings "builds a common understanding of the value of diversity, assisting in building social cohesion so that improves individual and organizational outcomes" (p.243). Robertson, Kulik, and Pepper (2003) point out that such training must have clear objectives and systematic plan of execution and assessment. Bhattacharya and Sen (2004) highlight the importance of measuring also external benefits e.g., market returns on CSR actions.

Management literature in general summarizes the importance of monitoring function within teams. Bear, Rahman, and Post (2010) argue that to effectively monitor teams, managers need right skills, expertise, knowledge, and experience, which comes with well diverse manager boards. Systematic analysis must be in place to profit from the diversity practices and diversity itself. According to Shen, Chanda, D'Netto, and Monga (2009), executing analysis leads to removed feeling of unfairness, tokenism, resistance, and glass ceiling effect. Moreover, frequent examinations can identify critical areas to intervene and provide data for benchmarking either with other companies or other industries.

Adopting D&I supportive policies belong under the CSR programs and according to Pfau, High, Sins, and Wigley (2008), that must be communicated publicly to build corporate reputation and credibility and strengthen the relationships with stakeholders. They summarize that CSR campaigns enhanced people's perceptions of sponsors' image, reputation, and credibility. Bhattacharya, and Sen (2004, p.23) describe external communication of CSR practices as "slippery slope" and emphasize that it can backfire, if it is not part of a holistic communication strategy and aligned with brand's actions.

Reagans and Zuckerman (2001) spotlight that diversity have greater effect in context where networks are more salient (e.g., R&D teams). Jehn, Nortcraft, and Neale (1999) point out that groups with diverse individuals are likely to prove ineffective at capitalizing on the potential benefits of informational diversity, which is refers to differences in knowledge bases and perspectives that they contribute to the group. Shen, Chanda, D'Netto, and Monga (2009) alert that organizations should go beyond acceptance of individual differences and focus on creating an inclusive atmosphere and valuing diversity.

1.4.5 The effect of company size on diversity management

HRM and DM practices exhibit notable disparities between microenterprises, small and medium-sized enterprises (SMEs), and large corporations (LC). Beaver and Hutchings (2005) argue that SMEs are lacking strategy in their HR management. They argue that improvement in development of HR, requires initiatives suitable with an organizational broader strategic plan that contain diagnosed problems and action plan. Lack of strategic approach is mainly due to limited financial resources, sufficient HR training and know-how

and therefore lack of implementation of HRM practices. Furthermore, Wilkinson (1999) points out that HRM practices in SMEs are more of an informal nature, which usually improves with the increased size of an organization. Beaver and Hutchings (2005) argue, that on one side SMEs are falling behind large organizations in their ability to attract, motivate and retain workforce, but on the other side, they have a big advantage of being more flexible, innovative, and entrepreneurial in their HRM and DM approaches. Moreover, Kotey and Slade (2005) argue that SMEs business environment and context demand a wideness and flexibility in skills and knowledge, which results in employing a multiskilled workforce, who are not specialized for HRM specifically. According to Beaver and Hutchings (2002) HRM in SMEs is lacking behind due to financial limitations, poorly defined or lack of strategic objectives and neglect of long-term plans, lack of management support, and lack of training-needs analysis. Compared to large organizations, they do not have time and experience to implement training programs or outsource HR specialist. Due to the afore-mentioned limitations, provided HR trainings in small firms are frequently ill conceived or ad hoc.

In small, family-owned companies, we often observe a tendency toward familial hiring practices, which may not align with the principles of promoting workplace diversity. In many family-run businesses, the recruitment and succession processes frequently involve the selection of family members or close relatives for key roles (Campbell & Minguéz-Vera, 2007). Moreover, in smaller enterprises, multiple roles often overlap, and consequently, such businesses frequently lack dedicated HRM specialists. Instead, managers typically assume responsibility for HR-related matters.

2 D&I AND LGBTIQ+

“LGBTI people have been historically subject to stigma and discrimination. Even nowadays many people feel the need to conceal being LGBTI to avoid discrimination, hate or even violence” (European Union Agency for Fundamental Rights, 2020). In past two decades, the support for LGBTIQ+ communities’ rights have increased. The level of this support varies between countries (Lloren & Parini, 2016). Even though the situation has improved there are still big challenges present, such as discrimination on sexual orientation (European Union Agency for Fundamental Rights, 2020), decreased LGBT employees well-being and psychological safety homophobic acts in the workplace (Lloren & Parini, 2016).

Hossain, Atif, Ahmed and Mia (2019) stress out that D&I management is “a strategic imperative to create a culture of D&I that extends to LGBT people”, because decision-makers are aware that this contributes to greater individual and organizational performance. Kossek, Lobel, and Brown (2005) have drawn attention to the existence of visible and invisible differences, such as gender, age, disability, marital and social status, religion, personality, ethnicity, culture, and sexual orientation, that emerged in a work environment.

They stress out that less visible the differences are, more complex and difficult are to manage.

Lloren and Parini (2016) focus that various reasons stand behind the decision of adopting LGBT supportive policies. Either they are external such as stakeholders' interest, public boycotts, lawsuits, activists' and labour unions' efforts and pressures, etc. or either internal which are mainly on voluntary basis or beliefs that it is good for business. According to Woods (2011), the LGBT population is very diverse within itself, which might help an organization in ways related to workforce diversity elaborated in paragraph 1.4.1.

As posited by several scholars (Di Marco, Hoel & Lewis, 2021; Cunningham & Hussain, 2020; McKay & Avery, 2005), the objectives of D&I and LGBT+ friendly initiatives should primarily revolve around the establishment of safe workplace with high psychological safety standards. They believe that such an environment is essential to foster a foundational inclination among employees to express their true selves authentically in their interactions with colleagues. Di Marco, Hoel, and Lewis (2021) stress the importance of social identities across all life domains. They argue that social identities help people to define themselves and to shape daily interactions. Martinez, Sawyer, Thoroughgood, Rugs, and Smith (2017) argue that bringing authentic self at work positively influences well-being and job attitude. At the same time, they stress out that authenticity is challenging for members of groups that have been historically stigmatized by larger society, which likely lead to concealing own identity. They attribute this to LGBT people. Clair, Beatty, and MacLean (2005) highlight that sexual identity management was assumed and conceptualized as a process that members of LGBT minorities have the control over, and they are the one who should decide how, when and to whom want to reveal themselves and their sexual orientation.

King, Mohr, Peddie, Jones, and Kendra (2014), as well as Ragins, Singh, and Cornwel (2007) emphasize that disclosing sexual orientation is not a one-time choice or act. They argued that its ongoing nature is demonstrated when LGBT person meets other new people in the work environment. Moreover, the disclosing process have been described as dynamic and interactional by Di Marco (2017). He argues that the process should not depend on LGBT individuals only, because it is strongly affected by responses and interests of others. Webster, Adams, Maranto, Sawyer, and Thoroughgood (2018) emphasizes that supportive climate with high level of relational support decrease psychological strain and perceived discrimination of LGBT employees, increase their job commitment and satisfaction, and finally, positively affect the process of "coming-out". According to Singh, Winkel & Selvarajan (2013, p. 259), "relationship between diversity climate, psychological safety, and performance is important for all employees, regardless race", but at the same time we have to take into account that minority members will respond with greater level of psychological safety to imposed policies that concerns them, than the rest of employees (Merrit, Ryan, Mack, Leeds & Schmidt, 2010). Same findings are highlighted by Cunningham and Hussain (2020). They discovered that psychological safety holds a particularly significant importance for lesbians. Furthermore, their research revealed a strong correlation between psychological

safety and sexual identification, emphasizing that it matters more for lesbians than it does for heterosexual individuals. Similar ideas have been shared by McKay and Avery (2005), who argue that diversity climate is more significant for minorities and influence turnover positively. We can conclude similarly for LGBT-friendly policies and the whole LGBT community.

2.1 LGBTIQ+ communities

According to Ely and Thomas (2001), sexual orientation is one of the demographic differences of people, that contribute to shaping own cultural identity. Cox (1993) emphasizes that cultural identities originate from membership in groups that distinct based on sociocultural characteristics, and have certain norms, values, goal priorities and sociocultural heritage in common. Ragins (1997) argues that certain cultural identities are, in larger society, associated with certain power position that brings them greater prestige, power and status compared to others. He also illustrates the example of heterosexuals being more powerful than gay, lesbian, and bisexual individuals. Same ideas are shared by Ely and Thomas (2001). They elaborate that cultural identities are associated in the larger society with certain power positions, in a way, that certain cultural identity groups have greater power, prestige, and status than others. Furthermore, they are point out that cultural identity is a socially structured, complex, and dynamic phenomena.

LGBTIQ+ groups have been throughout the history in a deprived position and discriminated. Ely and Thomas (2001) build on that and focus the importance and the crucial role of deeply understanding the distribution of power among cultural identity groups (inside the organization, as well as in the larger society) to individuals' thinking, feelings, and behaving. Woods (2011) stresses that for the LGBT minority, gender expression and sexual orientation are everyday consideration. According to Wilson (no date), cultural identity is a critical piece of personal identity (and worldview), that develops as you absorb, interpret, and adopt (or reject) the beliefs, values, behaviours, and norms of the communities in your life.

Erhardt, Werbel, and Shrader (2003) divide diversity into observable and non-observable diversity. As examples of observable diversity, they stated; gender, age, ethnicity, and race, whereas as non-observables they bring up knowledge, education, values, perception, affection and personality characteristics (this also includes sexual orientation). The important factor in discrimination based on sexual orientation is that members of LGBTIQ+ community have, unlike ethnic minorities, invisible stigmas, and it is matter of choice either they are going to disclose their sexual orientation or not (Lloren & Parini, 2016). Volpone, Avery, and McKay (2012), found out that members of groups that have been historically marginalized and stereotyped (e.g., LGBT+ minority), are more adapted to diversity climate and their interpersonal relationship tend to be stronger. Authors attribute these behaviours to historical injustices that marginalized groups have suffered. So, the same logic and idea can be transferred to LGBTIQ+ communities due to their historical deprived role. Moreover,

Hofnuijs, van der Zee, and Otten (2012) found out that organizational self-identification of such groups with organizations with supportive diversity climate is stronger.

2.2 LGBTIQ+ groups and outcomes for the company

Badgett, Durso, Mallory, and Kastanis (2013) argue that majority of the studies on LGBT-supportive policies and business outcomes, have found the positive relationship on individual as well as organizational level and are important to employees regardless of their own sexual orientation or gender identity. Hossain, Atif, Ahmed, and Mia (2019) emphasized that antidiscrimination policies, such as LGBT-supportive policies, are an important part of workplace D&I management and have both societal and economic benefits. Moreover, in their study they focus that equally treatment of the workforce and conducive environment, creates value for the organization. Fullerton (2013) emphasizes that one of the challenges is also “to tackle the perception and ideas about LGBT people that have existed for many years”. Woods (2011) highlight that positive outcomes of LGBT-friendly initiatives creates a powerful environment for social change and learning.

Fullerton (2013) focuses on the fact that just stating policies is not enough to make a real change, but it can emerge only from implementing a real cultural shift among employees. Furthermore, she argues that this attitude must be embraced at the top and extend through the company across all positions. She stresses that employees should strictly follow the execution of policies in place and take the corresponding responsibilities. This is not just a moral obligation, but also only by doing so, they will be able to gain the benefits. Burke (2000) in his research of women in management position, stresses that firms should expand their searches tactics and go beyond traditional talent pools. Furthermore, he emphasizes that women add an important symbolic value internally as well as externally and foster linking the firm with other constituencies. The logic of symbolic value of an individual for the underrepresented group can be transformed also in the context of LGBTIQ+ communities and their inclusion in the workforce.

Lloren and Parini (2016) conducted a study of LGBT-supportive workplace policies and their impact in shaping the experience of lesbian, gay man, and bisexual employees. Quantitative study was conducted in Switzerland in 2014 and provide us with incentive results regarding implementation of LGBT-supportive policies. Adopting afore-mentioned policies decrease the feeling of isolation among LGB employees, and decrease the rate of moral and sexual harassment, and improve work satisfaction.

Di Marco, Hoel, and Lewis (2021) described the process of coming out as “an ongoing process implying decision making into revealing information about one’s sexuality when one meets with new colleagues or new actors in the workspace”. Additionally, they stress out the interactional nature of this process and co-dependence on response from others, not only LGBT individuals. According to Lloren and Parini (2016), this process depends on the tolerance of the organizational environment. As an example, they illustrate how the presence

of LGBT person or supportive heterosexual colleagues, improve the climate, and foster the disclosure of one's sexual identity. They also emphasize that concealment demand an ongoing effort, which foster stress and anxiety and therefore negatively impact the work outcomes. Outness in work environment helps to "harmonize" private and public identity, increase work and task focus, positive work attitude and psychological well-being. Similar outcomes are emphasized by Badgett, Durso, Mallory, and Kastanis (2013); they elaborate that disclosing of the sexual identity leads to positive health outcomes (decrease distraction, exhaustion, stress, and anxiety at work), well-being, job satisfaction and organizational commitment. Woods (2011) stresses that outness at the workplace decrease the feeling of being stalled in careers, increase satisfaction and belief in chance for equal promotion and advancement, and increase trust towards the employer.

Adopting LGBT-supportive policies relates to reduce in sexual discrimination, improve workplace dynamic for LGB employees (Button, 2001; Lloren & Parini, 2016), improve the experience of homosexual and bisexual employees (Badgett, Durso, Mallory & Kastanis, 2013), improve goodwill, consumers' loyalty, and financial gains (Cunningham & Melton, 2014), spur innovation and therefore contribute to the firm performance (Hossain, Atif, Ahmed & Mia, 2019). Hossain, Atif, Ahmed, and Mia (2019) point out financial savings that emerged through increased productivity and staff retention. Furthermore, they point out the increased talent pool which strategically leads to increased diversity along various position in the company. In their study, they found out that implementation of LGBT-friendly policies has a positive impact on innovation and ultimately the firm performance. Ragins, Singh, and Cornwel (2007) stress out that LGBT-supportive policies and legislations implemented by organizations are more effective in "fighting" discrimination than the ones set on the state level.

Cunningham and Melton (2014) argue that LGBT-inclusive external communication is, among stakeholders, reflecting broader diversity. Furthermore, they stress out that stakeholders are mindful about organizations' D&I, which results in their purchase intentions and actions. LGBT-supportive initiatives serve as a positive signal for potential employees of an open and tolerant work climate, where employees are not discriminate based on sexual orientation or gender identity (Hossain, Atif, Ahmed & Mia, 2019). Florida (2014) describes the gay community as a "solid leading indicator of a place that is open to many different people", meaning that employing gay individuals or having gay-friendly practices in place will send a strong signal for openness and inclusiveness for other minorities as well.

Bonaventura and Biondo (2016) stress out that negative attitudes based on their sexual orientation or gender identity (such as discrimination, hostility, homophobia, transphobia) towards LGBT individuals, results in higher absenteeism rate and lower productivity. In their study, Webster, Adams, Maranto, Sawyer, and Thoroughgood (2018) identify three types of organizational support, that moderate the negative effects of LGBT employees' stigmatization:

- implementation of formal and supportive policies and practices,
- creating a safe, inclusive, and supportive climate, and
- relational support from co-workers and superior levels.

2.3 D&I and LGBTIQ+ challenges

Sexual orientation is an unobservable characteristic and therefore, according to Ely and Thomas (2001), more likely to trigger intergroup biases, feeling of hostility, anxiety, and frustration. Lloren and Parini (2016) point out that the fear associated with the disclosure of sexual identity may be more important than the actual act. Hence, scholars recommend a strategic and patient approach when implementing initiatives that promote LGBT+ inclusivity.

According to Di Marco, Hoel, and Lewis (2021) LGBT people might be seen as a threat by those who define themselves or their groups by standards set by heteronormative norms. Lloren and Parini (2016) warn that policies focusing on sexual orientation can potentially backlash against homosexual and bisexual employees. Negative conscious and unconscious attitudes regularly emerge in work environment, namely use of derogatory language, uncivil or sexualized jokes, intrusive and inappropriate private questions, incorrect use of pronouns when referring transgender people, etc. (Di Marco, Hoel & Lewis, 2021). Same authors focus that organizations, besides many D&I supportive policies in place, still fail to recognize and act towards subtle and ambiguous acts, which indirectly contributes to normalizing modern discrimination which limits the talent pool (Hossain, Atif, Ahmed & Mia, 2019). They alert about the high prevalence of microaggressions against the community. According to (Pierce, 1995), microaggressions are undetected, subtle insults that can be either verbal or physical. Although seemingly harmless individually, they can result in diminished well-being, increased health problems, and reduced self-confidence.

Some studies (Lloren & Parini, 2016), interestingly, suggest that revealing sexual orientation at work negatively influences the reporting of psychological health problems, but tends to benefit psychological health for LGB employees. According to the same authors, that could be because of the employees who are “out” handle and distinguish their private and public identity better, and therefore feel less stress and anxiety. LGBT people also report the presence of fear, which can be either the fear of “being out” or the fear of “being outed” (Woods, 2011). Basset-Jones (2005) emphasized that manifestations of personal style come in forefront when individuals have to work in teams, where employees with similar styles have an ability to establish trust in early stages.

Similar to the implementation of any other policy, it is crucial for LGBT-friendly initiatives to carefully consider the transition from policy to practice, the methods of communication, execution, and ongoing support for inclusion of LGBT members (Woods, 2011).

3 RESEARCH ON LGBTIQ+ AND D&I PRACTICES IN SLOVENIA

3.1 Research purpose

This study is undertaken with the overarching aim of comprehensively examining the dynamics of LGBTIQ+ diversity within organizational contexts. The research is driven by these three main research questions:

- Research question 1: How does LGBTIQ+ diversity benefit the organization (internally and externally)?
- Research question 2: What are the biggest obstacles and challenges when implementing LGBTIQ+ friendly initiatives and supportive policies?
- Research question 4: Which factors contribute to inclusion of LGBTIQ+ members from individual's and company perspective?

This study aims to provide a better understanding of the complexity of LGBTIQ+ diversity in organizations by investigating the research questions above. The findings are expected to contribute to what we already know about this area, providing significant insights for decision-makers and specialists who want to make workplaces more inclusive.

3.2 Methodology

The choice of qualitative research and deep interviews as the methodology for this master's thesis is based on the sensitivity of the topic and the lack of prior research on this specific topic in this regional and cultural context. Methods of deep interviewing allowed me to build trust with interviewees and delve deep into their personal experiences, beliefs, and perspectives, which were a must to conduct this research holistically and answer the research questions.

This study is based on 14 interviews yielding in more than 21 hours of interviews and 158 pages of transcripts. Interviews took place from August to October 2022. Sample consists of six LGBTIQ+ community members (hereinafter referred to as R1-R6), six decision-makers (referred to as D1-D6), and two specialists from the field - one representative of an NGO focusing on the LGBTIQ+ minority and one D&I expert who specializes in LGBTIQ+ minority (referred to as S1-S2). Due to the nature of the interviews, confidential business information, and personal circumstances, the transcripts have been censored and are not part of the appendices of this research work. For the same reasons, the research is done by the method of deep interviews on individual level.

The study primarily involves interviewees from SMEs and LCs. Slovenian economy, as most other European economies, is based on SMEs. In 2016, the share of those enterprises was

99,8% (SURS, 2018). Therefore, narrowing the research exclusively to LCs would impose significant limitations and result in the loss of crucial contextual information for the study. Furthermore, changes in HRM approaches (especially towards the LGBTIQ+ minority) must be done on a large (and governmental) scale. Addressing only a small fist of big Slovenian corporations, would not contribute to solving concrete problems. Moreover, changing the mentality and formal approaches that less flexible and more rigid big corporations already have in place, is less possible than making changes in SMEs. However, good practices from LCs should be explored and adapted to SMEs' context. As a result, this study focuses on SMEs and LEs with an HR department, rather than micro enterprises and startups.

First, the LGBTIQ+ rights NGO was approached to find suitable applicants through their well-spread and trust-worthy channels. To find participants who were interested in participating in the study, a simple filter survey was developed. All businesses that hold the LGBT certificate received the survey. This method produced 13 possible participants, of whom 8 met the requirements. We were able to contact the final 4 candidates through networks and personal referrals. Direct formal contact was used to get in touch with the NGO representative and D&I specialist.

The first phase was developing a questionnaire for LGBTIQ+ members with a high degree of empathy, awareness of, and use of inclusive language (Appendix 1). The questionnaire was reviewed by a third-party D&I specialist and the afore-mentioned NGO. Interviews were conducted in three steps. Firstly, all six LGBTIQ+ members were interviewed. Based on their outputs, a questionnaire for decision-makers was adopted and again reviewed (Appendix 2). Six extensive interviews with decision makers make up the second step. The NGO representative and the D&I specialist were questioned after reviewing all the interviews (Appendix 3).

In this study, a comprehensive analysis approach incorporating elements from thematic, content, narrative, discourse, and comparative study analyses was employed to gain a holistic understanding of the qualitative interview data.

3.2.1 Sample 1 – LGBTIQ+ members

Six LGBTIQ+ members took part in interviews and discussed the sentiments and experiences they had while working in nine different organizational settings and seven different companies. All of them shared their experiences from the employee's perspective. Some of the interviews (R1, R2, and R6) shared their experiences from the current organization (A, C, and F), as well as from the previous one (B, D, and G). Their personal attributes, such as openness about sexual orientation varied comparing current or previous employer and its cultural characteristics. I must emphasize that some of them have worked or are working in different divisions for the same organization. One of them received a promotion to a middle management position, and two of them currently hold or had held positions as minority members within the company – consequently, they also exchanged a

different perspective and insightful comparisons from both perspectives. Among the six participants, three of them are bisexual and three are gay. The age range of them is between 20 and 45.

Three of the seven organizations have the LGBT friendly certification, while other four does not have it, but are actively addressing issues facing LGBTIQ+ minorities. Five organizations are enterprises, of which four of them have international backgrounds (having operations abroad, branches abroad, or owners from outside the country), whereas two are governmental non-profit organizations. Organizations vary in number of employees, from 50 employees up to 6000, they come from six various industries. A description of participants and their attributes is provided in Table 1.

Table 1: Interviewed LGBTIQ+ members from Slovenian LGBTIQ+-friendly organizations

Members of the LGBTIQ+ community	Org.	LGBT friendly certificate	LGBTIQ + friendly initiatives	Function Role	Sexual orientation	Out / partly out / closeted
R1(A)	A	Yes	Yes	Employee	Bisexual	Partly out
R1(B)	B (ex org.)	No	No	Employee	Bisexual	Partly out
R2(A)	C	Yes	Yes	Employee	Bisexual	Partly out
R2(B)	D (ex. org)	No	No	Employee	Bisexual	Closeted
R3	C	Yes	Yes	Employee	Gay	Out
R4	E	No	Yes	Employee	Bisexual	Partly out
R5	A	Yes	Yes	Employee / LGBTIQ+ member	Gay	Out
R6(A)	F	Yes	Yes	Employee / LGBTIQ+ member	Gay	Out
R6(B)	G (ex org.)	No	No	Middle management	Gay	Partly out

Source: Own work.

3.2.2 Sample 2 – Decision makers and specialists

Six individuals holding decision-making positions in Slovenian companies that prioritize the well-being of LGBTIQ+ communities and two specialists in the relevant domain represent the second sample of his master's thesis research. Decision makers hold different positions but are involved in HR-related topics. Regarding the two specialists, one is a representative

and coordinator for an LGBTIQ+ rights NGO, while the other is a D&I expert. The organizations for which the interviewees work are leaders in the field of LGBTIQ+-friendly policies and projects in the region. Organizations range in size from 20 to 5500 personnel (excluding K and L). All the organizations interviewed have international backgrounds. Decision makers and specialists with relevant information can be seen in Table 2.

Table 2: Interviewed decision makers from Slovenian LGBTIQ+-friendly organizations and D&I specialists

Decision maker / specialist	Organization	LGBTIQ+ friendly certificate	LGBTIQ+ friendly initiatives	Function Role	Size	Industry
D1	H	yes	yes	People Manager	20-49	Manufacturing
D2	F	yes	yes	LGBTIQ+ delegate	100-149	Services
D3	C	no	yes	People Specialist	250-499	Services
D4	I	yes	yes	Executive Director	5500+	Manufacturing
D5	F	yes	yes	CFO	100-149	Services
D6	J	yes	yes	HR Manager	200-250	Manufacturing
S1	K	yes	yes	LGBTIQ+ rights specialist	/	/
S2	L	no	yes	D&I specialist	/	/

Source: Own work.

3.3 Results

In this section we firstly examine the status of D&I and LGBTIQ+ community in Slovenia from the perspective of two specialists. This is followed by the findings from interviews with LGBTIQ+ members and then, separated, findings from the interviews with decision-makers and specialists. As a result, two distinct perspectives within organizations are displayed independently. Later, in section “Discussion” and “Recommendations and applications for practice”, both perspectives and all observations are integrated.

3.3.1 D&I and LGBTIQ+ status in Slovenia

Slovenia has experienced improvements in the acceptance of the LGBTIQ+ community, focus S1. According to ILGA Europe (2022), Slovenia occupies a middling position in terms of LGBTIQ+ rights, with subtle instances of homophobia, biphobia, and transphobia, with

no major protests against LGBTIQ+ events in the country (e.g., pride parade). S1 alert that Slovenia is somehow “stuck in the middle”, which represents to us a certain level of comfort, and therefore no urge for government and institution to intervene and push forward, “towards the top” they state. However, it is emphasized by S2 that a minority of extremists remains. S1 focus a strong emphasis on LGBTIQ+-friendly work environments and certifications, primarily in Slovenia, they contribute this due to the activism of the LGBTIQ+ movement. S2 alert that in contrast, other minority groups, such as people with disabilities, receive comparatively less attention than LGBT+ minority. S1 see this positive discrimination as a “byproduct of LGBTIQ+ movement successes”.

Acceptance levels for the LGBTIQ+ community in Slovenian companies exhibit variations, as observed by S2, with indications of increasing intolerance in recent years. Slovenia also lags behind some European counterparts in implementing diversity, inclusion, and equality strategies, as noted by S2.

S2 stresses that legislative changes, play a pivotal role in driving societal progress, prompting greater awareness and acceptance of LGBTIQ+ individuals. As example they stated The Act on the Registration of Same-Sex Partnership Act (ZRIPS) in 2005, Family Code reforms and referendum (Družinski zakonik) in 2011, Partnership Act (ZPZ) in 2016, and following positive changes in society. Nevertheless, S2 also points out that understanding of transgender and intersex issues remains limited in Slovenia. According to S2, these legislative reforms have encouraged more people to publicly identify as LGBTIQ+, reflecting shifting society attitudes. However, S1 highlights that historical societal prejudices in region (and in general) have inhibited many individuals from openly expressing their LGBTIQ+ identity.

S1 also notices positive developments in the field of transgender issues. They draw comparisons between the current situation of transgender persons and that of gays and lesbians in the late 2000s. They focus on that the challenges of intersex matters lag behind.

S1 underscores the prevalent lack of public awareness regarding diversity, including the origins of stereotypes and prejudices, as well as strategies for recognizing and addressing personal biases. The overarching aim, as stressed by S1, is to cultivate an environment where new information is embraced and respected, despite the prevailing resistance to change and the persistence of stereotypes and prejudices.

S1 focuses that LGBTIQ+ community is very divided internally and that non-acceptance can be seen even within the community. Which is not only specific to our geolocation context, but also to the LGBTIQ+ community globally. S2 warns about a great existence of internalized hostility within the LGBTIQ+ community, particularly internalized transphobia. S1 and S2 explain that this behaviours stem from lifelong societal patterns and manifests as a defensive response against own and others' sexual orientation and openness. Similar outcomes are reported by the majority of the interviewed LGBTIQ+ members. They

illustrate large presence of internalized homophobia, biphobia, and transphobia, which in their opinion originates from incomplete acceptance of one's own sexual orientation, gender identity and discriminatory situations in cases of which, was simpler to side with the stronger and have the "same adversary".

Both S1 and S2 draw attention to the fact that some organizations with operations in Slovenia carry out D&I and LGBTIQ+-friendly programs exceptionally well. S2 focuses on the idea that some businesses are industry leaders in the European context. They provide Novartis, Ikea, Amazon, and IBM as examples. But at the same time, S2 alert that DM and LGBTIQ+-friendly initiatives among Slovenian companies are still in initial phases and being completely open about sexual orientation and gender identity is still perceived as a taboo.

3.3.2 D&I from the LGBTIQ+ members' perspective

3.3.2.1 *Discrimination*

All the participants have experienced discrimination in the workplace. Majority of the cases were microaggressions, which are, in their opinion, the most dangerous form of discrimination. Microaggressions are, compared to the open discrimination, more difficult to respond to, report and prove it. Moreover, from the side of the agents of microaggression is a huge problem, that they may not even be aware of the behaviour they are conducting, which make the situation even more dangerous and more difficult to intertwine. Microaggressions often come in the form of a joke. R4 stresses out that probably because "sometimes you can brush it away as a joke". R4 believes "it comes from not sufficient education about the topic and not high enough level of empathy". Moreover, these offensive comments frequently come in the form of a compliment (e.g., comment about how bisexual women have to attract everyone around them). R4 states that these offensive and discriminatory "compliments" "are difficult to deal with and respond to, because you can easily be perceived as the over-sensitive person who just reacted on something good". R4 also warns about the danger and degradation of the comments' sub-texts. R1 has a similar opinion regarding the origin of microaggressions. R1 believes that: "people do not intend to be evil, but maybe because of their lack of information, they just ask ignorant question, which is to certain level and in certain context completely okay". R1 continues that seeing this from various people in the same work setting makes the environment toxic. The most prevalent type of microaggression, mentioned by all six participants, are jokes directed towards the LGBTIQ+ population. R2 warns about the social traps which are even deepening the problematic of microaggressions and stresses out that similar comments, sense of humour, and jokes are "what connects you to the social conversations you have with the other colleagues. So, it is like a learned behaviour" – pointing out that people "learn" how to behave to fit in, without having in mind how their behaviour might be perceived by others (others referring to people outside the social circle they want to fit in). R3 points out that bad

comments and jokes about the LGBTIQ+ community “increase the level of caution when expressing, having a conversation, and in the process of coming out”.

All participants claim that the LGBTIQ+ minority is treated the same as other minorities inside the organization. According to R1, R5, and R6, there is some positive discrimination towards some minority groups within the industry due to the nature of it. The reason for this is that under-represented minorities are being favourably discriminated against in order to rebalance the industry's representation (e.g., women in construction industry, foreigners in science, etc.)

3.3.2.2 The biggest work-related challenges of LGBTIQ+ employees

The LGBTIQ+ minority, like any other minority, faces unique problems that need to be addressed. One of the most significant is a lack of awareness of colleagues' deep beliefs and principles, which shape their perceptions of the LGBTIQ+ minority. This is accompanied by the uncertainty of how a person will be accepted by co-workers. Participants described similar emotions as they experienced while coming out to their close ones for the very first time. According to R4, an LGBTIQ+ person should determine whether they want to come out, to whom, and to what extent. R6 adds: “The biggest fear that I had in the process of coming out was that I will not be accepted by people.” R6 further emphasizes that this process can be difficult, especially because of the persistent feeling of injustice “when certain things are happening only to gay and bisexuals”. This constant feeling of injustice was brought up also by R1, R2, and R3. Furthermore, the entire process of determining the safety of coming out (getting to know people, examining their values, testing answers, re-wording sentences, etc.) is difficult and stressful. The major challenge is also deciding how (and in what manner) to come out. Moreover, participants stress out challenges related to the fear of losing career opportunities and promotions. R4 highlights particularly the oversexualization of gay and bisexual persons, especially bisexual women. They all concurred that the biggest challenge is just figuring out how to be truly authentic in the workplace.

At the level of employer branding and organizational image, the problem of becoming a company's token may arise. That idea is elaborated by R2, who focuses on the fear of being overly exposed internally and externally due to something so personal as sexual orientation, only because of the company's benefits.

All participants report that they somehow feel pressured and obliged to educate and raise others about LGBTIQ+ related topics, such as; process of coming out, explanation of different sexual orientations, feelings, sexuality, acceptance of people, etc. Concurrently, they stated that they are tired of doing so in most cases. However, when they believe the intentions behind the questions are good and they believe they can make a difference, they have no trouble opening up and teaching people. "I do not discuss my orientation with others, but if they ask, I have no difficulty informing them," says R1. This is a great case of how

making a polite effort or showing an interest in a topic effects an LGBTIQ+ person's openness and readiness to debate, educate, and open up about the topic.

3.3.2.3 Initiatives focusing on LGBTIQ+ community and its needs

In our cultural setting, LGBTIQ+-friendly workplace policies and initiatives are still in their early stages. All of the enterprises of interviewed participants are the pioneers of these initiatives among Slovenian businesses. The LGBTIQ+ community, like any other minority, need its own strategy. As a result, managers and HR departments must regularly educate on this subject, believe R1, R4, R5, and R6.

All participants understand that just because an organization has implemented LGBTIQ+-friendly initiatives does not guarantee that everyone is truly LGBTIQ+-friendly. However, such approaches have raised the general level of individual safety and well-being at the workplace. P1 and P3 claim that having non-discriminatory and LGBTIQ+-friendly policies in place offers them added credibility and assurance, that even people who are not in fond of the LGBTIQ+ community will obey the company's regulations. It is also quite instructive that when candidates P1, P2, and P6 (Table 1, page 25) discuss their experiences with past employers, that did not possess the LGBTIQ+-friendly policies in place, resulting in candidates not being fully open or open at all about their sexual orientation. All the interviewees feels that a company that has such guidelines enforced will more likely have their back and response appropriately in case of prejudice.

All the LGBTIQ+ participants find LGBTIQ+ visual symbols in the workplace (either online or offline) important and encouraging. They emphasize that they feel more at ease, connected to the business and their co-workers, and free to express themselves when they visual symbols that the organization attempts to educate employees about the topic and raise awareness of it. Furthermore, they emphasize that because their employer is increasing knowledge of the LGBTIQ+ population in the workplace, they find it easier to engage in everyday discussions and are more comfortable sharing personal details with their straight co-workers.

Examples of visual symbol exposure practiced by organizations for which the interviewed members work for include:

- Raising the rainbow flag during the pride month.
- LGBT friendly certificate exposed in the common space.
- D&I promo material (focusing on LGBTIQ+ community as well).
- Broadcast of educational LGBTIQ+ related content at after-hours gatherings.
- Mailing with D&I related information (including LGBTIQ+ related topics).
- LGBTIQ+ promo material during the month of June.
- Social media posts during the month of June.

- Rainbow background for online meetings during the pride month.
- LGBTIQ+ stickers around the place (LGBT friendly, LGBTIQ+ community welcome, etc.)

R2 claims that since the organization began raising the flag, there had been reduce in offensive remarks and jokes about the LGBTIQ+ community. R5 stresses out that due to many visual signs, such as rainbow flag, stickers, and posters around the place, stands, etc. support for LGBTIQ+ community was “public and obvious”. A similar situation is elaborated by R4. Numerous stickers covering the organization's common areas indicated a clear support for LGBTIQ+ communities. Accordingly, R4 describes positive feelings of “great acceptance, welcoming and ability to fully express”.

However, R6 believes, that comparatively to traditional Slovenian businesses, organizations with an international heritage are more welcoming, varied, and inclusive in the field of LGBTIQ+ rights and equity. Their policy is more explicit, with a code of conduct and other official measures to avoid discrimination of any kind. Same thought is shared by R3, who had experiences with working abroad, R5, who studied abroad, and R2 and R4, who are originally not from Slovenia.

Questions about minority representation in leadership positions frequently come up in the context of a variety of career-related concerns. A top-level job held by a member of a minority group sends a clear message to the community about the organization's attitude toward that particular community and its members. It serves as concrete evidence that everyone, regardless of traits or private matters, is capable of reaching this level. R5 states: “An open LGBTIQ+ person on an important leading role within the organization is a good example that nothing will happen to you, regardless your sexual orientation, expression or identity.” Moreover, R4 describes “a strange and weird feeling of peace” about their boss being openly gay. R4 continues: “It should not matter, but unfortunately it does”. R4 also describes “a sense of comfort” about a person in charge of hiring new talents being openly gay, very outspoken and dressing in their unique way expressing themselves fully.

Good examples of top managers' actions recognized by the interviewed LGBTIQ+ members:

- Inclusion of pro-nouns in their signature.
- Inclusion of rainbow flag in their signature during the pride month.
- Participation in after-work LGBTIQ+-friendly activities.
- Participation in LGBTIQ+ related educational programs.
- Tacking the victim side in the case of discrimination
- LGBTIQ+ theme virtual background for online meetings during the pride month.

3.3.2.4 Positive experience from the workplace and related outcomes

All the participants stress out that positive experiences in the workplaces gave them an extra strength, motivation and courage bring the authentic selves at work and go an extra mile. R2 describes how recognition affects motivation and general well-being, and adds that emphatic actions when co-workers try to relate best they can to certain situations “gives you the impression that these people are really trying to give a positive working environment.” R1 and R5 concurred that it affects people's motivation and job satisfaction to watch others go above and beyond to make others around them feel accepted, welcome, and good. R4 emphasize that certain actions in their company are as inclusive as they can be. “Being able to share your culture and parts of your community with these people feels amazing” they said in reference to honouring the LGBTIQ+ community through learning about drag queen history and seeing movies about the LGBTIQ+ movement, among other activities.

According to one of the respondents, a company's explicit support for LGBTIQ+ equality reduced the stigma associated with LGBTIQ+ persons in the workplace, sparked discussion about the issue, and, most importantly, improved the psychological safety of LGBTIQ+ employees. According to R3, it is comforting to know that if they speak up about an incident, it will not happen again, and the aforementioned procedures support an atmosphere where psychological safety is high enough for people to speak out. R4 states: "If I did not feel comfortable at work, I do not think I would try as hard, and I surely would not be as good of an employee. Then I would definitely only be working for a paycheck, and the moment a better chance presented itself, I would jump ship". The statement of R4 can perfectly sum up the above-stated statements: “I actually think that the most positive experience is the lack of experiences to mention”.

3.3.2.5 Negative experiences from the workplace and related outcomes

Numerous actions, whether intentional or unintentional, have the potential to impact the workplace climate negatively or positively and, consequently, the feelings of employees (or the other way around). The impact can be higher when the subject is more delicate (e.g., minorities related topics). The interviewees reported numerous situations and attitudes in which they were placed in a disadvantaged position and how those circumstances negatively affected them.

All the participants believe that bad organizational climate will not remain unnoticed and will for sure affect them. Feelings, their intensity, and influences, differ depending on personal characteristics, status or position in the organization, length of service in the organization, and how one envisions their future in the company.

R2 believes that bad environment (comments, unpleasant questions, inappropriate jokes, etc.) have not affected them on a short-term, because of an overload with the onboarding process and trying to prove in a new environment. R3 and R2 report, that they felt toxic and

unhealthy environment plenty of times, but due to the personal characteristic, they did not allow to the acts affects their work and task. They emphasized that "LGBT individuals and other minorities get habituated to specific microaggressions when time passes" - explaining why people construct a protection wall. Furthermore, R3 contends that an unfavourable work environment reduces employee motivation, lowers workplace wellbeing, and reduces the likelihood of coming out in a work setting, all of which reduce the likelihood of forming close relationships. The same idea was shared by R1, who also focus inability to establish meaningful relationships with co-workers because of overcarefulness with their word choices, precaution when using pro-nouns, bending stories, avoiding certain topics or even persons (in order not to reveal their sex orientation). All of the participants acknowledge that, in the past, they had occasionally concealed their sexual orientation, albeit unintentionally. They elaborate experiencing fatigue while concealing things and paying close attention to phrasing. They described negative feelings during catch-up conversations, such as; not being entirely honest and attempting to talk in a way you wouldn't reveal too much, feeling of reticence, dishonesty, an inability to fully connect, discomfort, and fear of the possible reaction. R1 highlights that, as a LGBTIQ+ person, it was even more challenging to bond with older co-workers, due to different lifestyle, interests, and values. Knowing about some of the co-workers' radical attitudes towards LGBTIQ+ issues, R1 describes negative feelings and a low level of psychological safety in this kind of situations. The worry that some people would divulge something as private as your sexual orientation just for their own gain, is further elaborated by R6. Additionally, R6 thinks that greater psychological safety would result in greater general happiness and motivation.

R4 believes that in bad environment, lower results would be reach even on purpose. R4 describes the feeling of disconnection between bad organizational climate – dedication to the organization – and performance. Moreover, bad climate leads to looking for another job opportunities, which was also stressed out by R2 and R6.

3.3.2.6 Openness about the sexual orientation in the workplace

All participants concur that it is challenging to keep your sexual orientation a secret, once connections at work transcend the realm of professionalism. At the same time, they emphasize that the value of coming out is very subjective and varies depending on how important sexual orientation is to someone's identity and image. As a barrier of bonding, R4 stresses out the reserved mentality of Slovenian culture. In addition, R4 refers to this as an obstacle in the process of coming out. "I do not think you can get close to somebody without being out, it's just not possible," says R4. "It is a significant part of your life, and it influences how much you are able to talk about things, as if you are continuously forced to pick between flat-out lying and not sharing. And both of these things make it difficult for you to become close to others." R1 thinks that concealing things, especially significant ones (such a significant portion of your identity), has a detrimental impact on a person. Being secretive, keeping things from people, and living in continual worry about a person's possible reaction

or discrimination are not mentally healthy behaviours, which has an adverse effect on productivity and effectiveness at work. R1 personally does not feel that. Being closeted affected only their “well-being and casualness”. On the other hand, the following question occurs: "Can a closeted person concentrate all of their thoughts and energy in career and be more focused on their job and tasks?". R4 and R5 believe, that this is possible, but only on a short term, and with a risk of decreased work satisfaction and well-being.

Throughout the process of coming out, a level of professionalism with co-workers is essential. Participants elaborated that there is less of a tendency or desire for coming out if an LGBTIQ+ person works in a rigid professional atmosphere with solely corporate relationships. “The need to expose one's genuine self, of which sexual orientation plays a significant role, increases when professional interactions are deepened, loosen up, and friendly” supported the before-mentioned logic R6. R1, R2 and R5 summarize that coming out is inextricably linked to personal expectations of what will happen if you do. This is inspired by prior experiences with coming out. Finally, it is a highly personal and individual choice. R2 describes it as a “learning process” and a process of getting to know people, their beliefs, and values first. Then assessing the level of connections, you are able to establish, potential effects on your role in the company (promotion, career, flow of work, possibility of becoming a company’s token, effects on daily conversations, discrimination – especially indirect one, etc.), and finally assessing the safety of this step. R4 backs up this by sharing the experience from one of their previous work environments: “I did not get to know anyone well enough to kind of assess the situation. I was not afraid of direct discrimination, but I did not want to be treated differently. Stakes were very high.”. R2 goes on saying that they (LGBTIQ+ people in the company) were also wondering if the company would use their status as an LGBTIQ+ employees as a company’s token. R1, R2 and R6, report that in the process of assessing safety of coming out, they “throw tests and hints” to provoke co-workers’ reaction. R3 stresses out the importance of coming out and other community members, that are still struggling in a closet. This supportive and encouraging act plays a big role for the LGBTIQ+ visibility in the workplace. Majority of interviewees compare the experience of disclosing their sexual orientation at work to coming out to their close ones for the first time, but less apprehension.

Participants identify the following external triggers that helped them in the process of coming out in the workplace:

- Another open LGBTIQ+ person in the organization.
- Inclusive and friendly environment.
- High psychological safety.
- Visual symbols (badges, stickers, flag, etc.).
- LGBTIQ+ friendly certification.
- LGBTIQ+ person on a high hierarchical level (management position).
- Awareness of responsibility of this act towards the closeted people.

Moreover, R3 emphasizes a different motive for coming out: "fear of being outed by someone else". R5 shares a similar experience. R5 characterizes the act of coming out as a safety measure to stop office rumours regarding the subject. Having this definite information (and not unsubstantiated rumour) in their opinion means that people are free to ask an LGBTIQ+ person about it and share this information, which makes things even easier and the process of "coming out" or in their words "less of a big deal". That on the process of coming out is putted too much pressure and consequently responsibility, is agreed by R1, R2, R4, and R6. They stress out the discriminatory differences between LGBTIQ+ people and heterosexuals, for which is not expected to come out as a straight in the work environment. This is where questions begin to arise as to why it is so expected that an LGBTIQ+ person is forced to reveal their sexual orientation in the first place? Of course, this act should never ever be forced in any way, believe all of them. Mechanisms and policies in place should just create a healthy and safe climate, which provides employees with a high psychological safety and foundations to fully express, is summed up by participants.

As previously said, having an outed LGBTIQ+ co-worker is a common external component in the coming out process. R1 emphasizes a greater psychological safety as a result of knowing you are not alone and that someone has already gone through the process of coming out in this particular work context. R1, R4, and R6 state, that they rely on such a person for information about the process of disclosing themselves. They emphasize a higher psychological safety and trust towards people from the LGBTIQ+ community compared to the others.

When participants are questioned about their co-workers' potential reactions on them coming out, their responses varied. R1 believes that this action will be meet with indifference from co-workers, and backed this up by saying, "Ignorance is a bliss". R1 explains that motivation for such behaviour stems from not accepting other sexual orientations than heterosexual and hence prefer not knowing personal information if sexuality deviates from their beliefs. R2 and R6 believe, that disclosure would be accepted fine, but mainly because non-discrimination policies in place. They both emphasized that while the policies in place have made them feel safer, they still feel endangered because this is the only defence against potential prejudice. R3 and R4 are believe that disclosure will be warmly received, as well as encouraged and celebrated. The consensus among all participants is that the best reaction after coming out is complete casualness, "just like nothing has happened". R4 focuses, that responses, that are not like this, are making an even bigger deal out of the coming out process. Moreover, R4 stresses out that overprotective and over supportive reactions on coming out, could be a burden and very overwhelming for a LGBTIQ+ person. R4 believes that this is due to the moment we are in (described as "a weird transition period with extremes such as homophobia and parades in the same contexts") and with it related confusion of people (lack of knowledge, context, and experiences). "I definitely noticed that people have different ideas of me before and after I came out.", R4 describes.

Once, when an LGBTIQ+ person is out in a work setting, various positive effects emerge. The majority of participants are aligned with the positive effects that relate to general positive experiences in the workplace (described in chapter 2.2.). Participants report the following positive results once they came out:

- Feeling of acceptance and care.
- “Kind curiosity” in a way that someone wants to know if they are acting in line with expectations of a fellow LGBTIQ+ person.
- Huge relief.
- Additional source of motivation.
- Desire to support and advise other LGBTIQ+ members who are not out yet.
- Easier participation in casual conversations (no need for hiding and rephrasing things anymore).
- Improved sense of community.
- Higher psychological safety.
- Increased well-being.
- Increase desire for coming to work.
- Increased and simplified concentration on tasks.
- Higher likeliness to participate in brainstorming and share ideas.
- The ability to connect better and on a deeper level.
- Increased participation in after-work activities.
- Feeling of higher/improved connection with the organization.
- Improved image of organization.
- Higher possibility of recommending the organization to a friend.

3.3.2.7 Physical and psychological safety

All interviewees are aware of both terms. They know how to describe each other and what the differences are between the two. When LGBTIQ+ members were asked about the perceived level of physical and psychological safety in their organization on a scale from 1 to 10, the following results were reported: Table 3 presents the characteristics of organizations (LGBTIQ+-friendly initiatives), personal characteristics of participants, and perceived levels of physical and psychological safety.

All participants agree that physical safety is more important than psychological, because life depends on it more. Additionally, none of them have ever been in physical danger because of their sexual orientation or identity. This is also the reason why physical safety got higher score. The concern about people's prospective reactions and what is going on in their brains was an often-emphasized reason why psychological or physical safety cannot be scored by 10 maximum points.

According to the table 3, workplaces that did not have either the LGBTIQ+ friendly certificate or any LGBTIQ+ -friendly programs rated lower on psychological safety. Of course, we cannot generalize and claim this as a fact, but it is consistent with the theory. We can see the similar tendency with R1, R2, and R6 who share their experiences and feelings from past and current organization; they all felt safer in companies that had LGBTIQ+-friendly strategies. Furthermore, those individuals were more upfront about their sexual orientation to their co-workers in those firms. "The difference between the organization I work in now (psychological safety 8) and the prior one (psychological safety 9) is mostly in staff education," add R6. "There were more people with better education and, in my opinion, a higher level of empathy and understanding of LGBTIQ+-related matters in the prior organization". R2 states that knowing they can leave the organization at any point makes them feel more secure and peaceful about the situation. R3 places a higher value on psychological safety in the workplace (7) than on psychological safety in broader society. Reasons they stressed out are; company policy, smaller setting, and higher control over the place (fewer unknown factors).

Tabel 3: Physical and psychological safety reported by interviewed LGBTIQ+ members from Slovenian LGBTIQ+ friendly organizations.

Members of the LGBTIQ+ community	Organization	LGBTIQ+ friendly certificate	LGBTIQ+ friendly initiatives	Status	Physical safety	Psychological safety
R1(A)	A	Yes	Yes	Partly out	10	10
R1(B)	B	No	No	Closeted	8,5	8,5
R2(A)	C	Yes	Yes	Partly out	10	9
R2(B)	D	No	No	Closeted	10	6
R3	C	Yes	Yes	Out	10	7
R4	E	No	Yes	Partly out	10	10
R5	A	Yes	Yes	Out	10	10
R6(A)	F	Yes	Yes	Out	9	9
R6(B)	G	No	No	Partly out	9	8

Source: Own work.

In majority of the work contexts, participants believe that in the event of prejudice, the organization will back them up and provide necessary support. They back up this with the following arguments; a strict company policies, a specialized department that looks after people's well-being, and the level of relationship they were able to develop. Participants from organizations that they do not believe would back them up in such a situation (R1 from the organizations B and R2 from the organization D) express the following concerns:

- "I am not sure if the organization can provide a correct and equitable reaction to sexual orientation discrimination."

- I believe my department's manager would support me, but I do not feel the same way about senior management or my co-workers'. I do not think the organization or HR have enough soft skills or specialist knowledge about the subject."

3.3.3 D&I from Decision makers' and specialists' perspective

In this section, I will provide a summary of the key outcomes derived from interviews conducted with individuals holding decision-making positions in Slovenian companies that prioritize the well-being of LGBTIQ+ communities. Furthermore, I have integrated insights and viewpoints from two experts in the relevant domain.

3.3.3.1 *Motivation for implementing LGBTIQ+ friendly policies*

The motivation underlying the implementation of LGBTIQ+-friendly policies among the interviewed individuals can be understood as a multifaceted and dynamic interplay of factors, primarily internal. D2 and D5 focus that D&I policies are part of their DNA from the very beginning. This sentiment is further echoed in: "Our international context imbues us with a distinct perspective and convictions concerning diversity. In our case, this perspective holds greater potency than the conventional start-up culture." D1 and D6 recall that trigger for certifying the organization were openly queer employees. It is interesting how individual experiences have spurred action. D1's testimony highlights the ability of an LGBTIQ+ employee's desire to spread knowledge and acceptance to transform others. Multiple interviewees expressed a common goal to create an atmosphere where diversity thrives, including a need for internal education and the desire to change the organizational culture to be inclusive and respectful of variety. D4 elaborate that obtaining such a certificate serves as an "pledge or vow, that they will take actions on these concrete issues, follow and adopt standards on equality and equity, behaviour, talent management, and HR.

Participants additionally emphasize some external motivators, such as being known as an inclusive environment for a specific minority, improved corporate image, and access to a larger pool of talent on the market. D1 stresses out, that they were surprised by the positive acknowledgment of their business partners about some implemented initiatives. They began to see and understand the bigger picture at this point, and motivation for such endeavours extended beyond internal motivators only. S2 emphasizes that such actions are motivated externally as well as a response to societal demands. Changes in society are prompting companies to adopt D&I policies and practices to create an inclusive environment.

3.3.3.2 *Implemented D&I policies and initiatives*

D&I actions play an important role in fostering inclusive and equitable organizational environments and climate. The participants emphasize their commitment to supporting

diverse workplaces through a variety of tactics, focusing on broader D&I and more specific LGBTIQ+ focused.

General D&I initiatives

- Company’s code of conduct.
- Collaboration with Listina Raznolikosti.
- Incorporated respect for all minorities in company policies.
- Specifically defined strategy, goals, and programs for each minority.
- Employing various minority members
- Prioritizing cultural and value fit while recruiting and employing.
- Introducing of modern well-being roles, e.g., People Planner, People Specialist, etc.
- Fostering employment of more people from overlooked minorities.
- Educational programmes for people in leading positions.
- Educational programmes with gamification elements (badges etc.) for employees.
- Organizing internal seminars, webinars, and workshops with external specialists on well-being, D&I, human rights, and other topics.
- Organizing well-being activities, such as; afterwork hanging out, breakfast, team-building, etc.
- Transformation of traditional departments and introduction of new ones, such as; People and Culture, People planning, D&I department, etc.
- Internal HR department.
- Knowledge exchange with international branches and other organizations.
- Consistent reinforcement of organizational values and culture (visual elements, emphasizing values verbally, etc.).
- Precisely defined onboarding process with D&I training.
- Clear structure of reporting and responsibilities in case of inequalities and discrimination
- Speak up systems for reporting potential discriminations and prejudices.
- Involvement of third-party investigator for resolution.
- Employee assistant programmes supporting employees’ (and their families’) legal, financial and well-being needs.
- Regional ambassadors covering various fields (HR, LGBTIQ+, D&I, etc.), supported by special departments on a global level.
- Promotion of open-door policy.
- Monitoring employee well-being through surveys.

LGBTIQ+ focus D&I initiatives:

- LGBT friendly certificate.
- LGBTIQ+ awareness activities.
- LGBTIQ+ related educational workshops and seminars, completely on voluntarily bases.
- Adopted organization’s logo in rainbow colours during the Pride month.

- Company policies and job advertisements aligned with LGBTIQ+ standards, using inclusive language and ensuring equal treatment.
- Parental leave and related benefits extended to all partnerships regardless of sexual orientation.
- Adopting inclusive language and pronouns in everyday communication.
- Rainbow flag during the Pride month.
- LGBTIQ+ members on a managerial positions.
- Onboarding emphasis on LGBTIQ+-friendly certification and other LGBTIQ+ friendly practices.
- Diversity champions or ambassadors for various diversity areas, including LGBTIQ+.
- Ally programs for individuals who are not part of the LGBT+ community but want to learn and contribute.
- Donations for LGBTIQ+ organizations.
- Minority members given a stage and spotlight in company-wide events, promoting empowerment, and giving voice to the community.

The recognition of an LGBT-friendly certification, which D4 recognized as a “critical tactic”, is central to the discussion. This certification serves two functions. First, it establishes the organization as an inclusive sanctuary for the LGBTIQ+ community, creating an environment in which their presence is both acknowledged and valued. Second, the accreditation serves as evidence of the organization's dedication to turning words into concrete actions. This includes not just a verbal vow, but also the incorporation of criteria ranging from equality to equity, behavioural guidelines, talent management, and human resource procedures. The notion of the certification as a "safe zone" emerges as a recurring theme, acting as a tool to navigate instances of discrimination and inequality. It is depicted as a guiding framework and a moral compass that employees can reference when faced with challenges.

3.3.3.3 The biggest work-related challenges of LGBTIQ+ employees

When managers and specialist were asked about challenges that LGBTIQ+ employees are facing in work contexts, the responses mostly overlapped with the LGBTIQ+ members.

S1 points out that every person struggles with very personal internal emotions and identity-related difficulties. All participants agreed that microaggressions are the biggest challenge of LGBTIQ+ employees. D1 adds that the perpetrators of these microaggressions are often unaware of them. The same findings share S2. They focus the omni-presence of microaggressions (offensive jokes, comments, etc.) that go unnoticed by actors and bystanders. Moreover, unconscious biases are a big challenge too. S2 stresses that many of them originate from primary education and environment (family and friends) and are difficult to change. They caution that this can lead to a resurgence of hatred and intolerance, which is also noticeable in Slovenian society. D4 emphasizes the burden of the environment

and prevailing social norms on the thinking process of LGTB+ employees. Resulting in challenge of how to scope with these norms and expectations that deviates from your identity. D5 and D6 continued that within this context, fear takes a significant role. LGBTIQ+ individuals grapple with concerns about mockery, bullying, and public exposure. A sense of vulnerability and endangerment underscores the need for a secure and inclusive workplace environment. D2 emphasizes a widespread sense of exclusion, disconnection, and incomprehension among minority members leading to further introversion and concealing true identity. As a challenge, D5 focus the managers' lack of knowledge and interest about the topic, which prevent the transmission of knowledge and appropriate behaviour through top-down approach. Lack of knowledge leads to another challenge that was emphasized by majority of them – burden of constantly informing and educating non-LGBTIQ+ people.

3.3.3.4 Implementation of D&I and LGBTIQ+ initiatives in work environment

All candidates agree that such policies cannot be implemented overnight and yield results instantly. A comprehensive transformation like this, demands an encompassing strategy that accommodates these complexities and navigates the challenges that arise, particularly in terms of employee reception, management reception and transfer to employees, and organizational adaptability on a long run, describes D3.

Multifacetedness and complexity of implementation of such policies results in many challenges, both on the side of employees and management. The following major challenges were identified by decision-makers and specialists:

- Perception of D&I department; As its impact on direct business indicators is not immediately obvious, the D&I department is frequently seen by management and employees as a "nice to have" component.
- Short-term financial focus vs. long-term well-being; When assessing the success of D&I efforts, organizations frequently place a higher priority on short-term financial results than on long-term well-being. While financial gains can be seen right away, a focus on wellbeing is seen as a more long-term strategy that will yield benefits.
- Understanding a correlation between D&I, well-being, and financial performance; D&I initiatives effects financial performance on a long run. Due to a long process with many levers, it can be difficult to understand the correlations. For D&I practices to flourish and yield financial results, understanding of upper management is crucial.
- Size of the organization; Larger companies encounter greater difficulties in spreading the message and consolidating power to drive change. Whereas smaller companies usually lack time, specific know-how, strategic approach, and financial resources to implement D&I policies comprehensively.
- Monitoring and measuring; The challenge also involves introducing measurable goals in areas inherently difficult to quantify and continuously monitoring them. Especially challenged for smaller companies with less defined structure and cross-functional roles.

- Initial resistance from employees; The resistance is usually connected to something people are not familiar with.
- General resistance of people to changes; Some people will never identify with certain company's values and initiatives. This cannot be forced, and it should be respected. However, the organization needs to ensure that these individuals continue to follow the code of conduct.
- Engagement of employees and managers; We tend to connect with something when we can personally relate to. That evokes a sense of engagement and vulnerability.
- Overload with regular obligations and tasks; Implementation and execution always come on-top of regular tasks. This can present a burden to employees and decision makers.
- Employee education and engagement; Again, additional tasks like education, can be perceived as burden. People are in general not in fund of going extra mile voluntarily, especially if the reward is not tangible and the process itself challenging.
- Lack of eager employees willing to drive the change; As a continuation of the previous two challenges, the results is lack of people, who are willing to voluntarily do extra work.
- Paperwork; Handling data related to D&I initiatives involves navigating bureaucratic processes to obtain relevant information (frequently of very personal nature). This includes determining what data to collect, where to store it, and how to effectively analyse it.

In essence, the shared viewpoint underscores the necessity for a patient, well-structured approach that acknowledges the multifaceted nature of these policies. The acknowledgment of this complexity, coupled with an understanding of the gradual nature of change, is pivotal in devising strategies that foster lasting and meaningful transformations within the organizational framework.

3.3.3.5 Positive experience from the workplace and related outcomes

Positive outcomes of LGBTIQ+-friendly initiatives are evident across various dimensions, as expressed by decision makers. All the participants agree that LGBTIQ+-friendly initiatives foster a positive work climate and improve psychological safety mechanisms and elements. D3 highlights that it is relatively easy to observe how people discuss personal things openly once such initiatives are implemented. D1 and D5 continue that this positively affect the process and act of coming out in the workplace. D1, D4, and D6 highlight that this encourages people to bring authentic selves to work, which enhances participation in idea generation, improves well-being and strengthen self-identification with the organization.

D4 highlights that on a short-term organization should focus on aligning organizational values with actions and external promises, promoting authenticity in both internal processes and external image. On the long-run, initiatives will result in improved company's reputation as an inclusive and welcoming environment. Moreover, they point out that the longest-term benefits include fostered innovation, improved performance, and finally - enhanced financial

indicators. Similar ideas are shared by D2 and D3. They highlight the positive impact on a company's image, access to a wider pool of talent, and the attraction of high-profile employees. They believe that these initiatives bring in a diverse workforce with a multitude of mindsets and ideas, fostering improved innovation through the introduction of different perspectives and skills. Furthermore, D3 emphasizes due to the established inclusive culture, they attract candidates with well-developed emotional intelligence. As an illustration, they stress that during recruitment interviews, candidates bring up physical and psychological safety topics by themselves.

D2 believes that a D&I culture contributes to long-term organizational presence, development, and success, while also leading to a better perception among clientele. D6 points out that LGBTIQ+-friendly initiatives result in a higher likelihood of volunteering among employees who are part of the LGBTIQ+ minority. They illustrate this with a specific example of an employee who starts actively participating in the company's extracurricular activities. They stress: "such initiatives empower employees to take ownership in fostering inclusivity".

D1 acknowledges the recognition from partners and improved brand name associated with LGBTIQ+-friendly initiatives. D4 build up, that by doing so, organization does not position favourably only in the perception of potential employees, but also against competitors. D2 and D6 build up that it influences end users' perceptions and purchasing choices favourably.

Decision makers are aware of both, internal and external benefits that can yield out of adoption of LGBTIQ+ friendly initiatives. They can identify short and long-term benefits. It was evident that decision-makers from larger firms were better able to appreciate longer advantages from a strategic standpoint than those from smaller organizations.

3.3.4 The perceived role of HR or specialized D&I organizational department

Among Slovenian companies, having an HR department that mostly handles paperwork and finances is a common practice. This in general stand for many corporations, particularly those that are small or lack international experiences (conducting businesses abroad, international owners, employees from different countries, etc.). Among the interviewed companies, only organizations with such a background have departments such as People & Culture, and Diversity and Inclusion, or established support groups, ambassadors, etc.

Interviewees see various benefits of having D&I in addition to the HR department. In their opinion it provides you with following benefits:

- From the employee's perspective, it provides 1.) an additional specialist channel to report workplace anomalies. 2.) increased assurance and trust in adequate reaction 3.) improved employee well-being and 4.) improved self-identity with the organization.

- From the standpoint of a company 1.) a decreased workload of the HR department; 2.) higher likelihood of problem-solving, rather than being carried on (and becoming larger); 3.) improved company's image; and 4.) expanded pool of possible employees.

Having a D&I department and its protocols provides employees with greater credibility when reporting issues anonymously. Anonymous reporting encourages people to disclose problems that they might not have reported otherwise. When interviewees were considering reporting a specific case, they weighed the following concerns: the sensitivity of the case, how they see their future within the company, level of trust in management, level of trust in the HR department, trust in co-workers having their backs, can the situation be proven, will they be perceived as snitches, current length of employment.

To avoid being viewed as a snitch, situations of discrimination in the workplace must be handled comprehensively and professionally. It should be possible to report anonymously or using a disclosure mechanism. The case should be investigated by professional personnel with a background in human resources. Ideally, this is done by a third-party investigator partner, how it is done in large organizations with an international history. For small and medium-sized Slovenian businesses this approach is budgetary and logistically illogical.

Organizations cannot eradicate the problem, but they can be a strong pillar of support. By providing safe and inclusive environment with a strong belief in correct response in any case of deviation from the culture, is sufficient for people from minorities.

When it comes to accessing various information, interviewees mentioned that it was or will be simple and encouraging if it was or will be organized in a basic manner with the idea of everything in one place. Organizations should therefore simplify the process of obtaining all types of information, particularly those that are more sensitive and difficult to ask (e.g., maternity/paternity leave, days off, physical, and mental health issues, and other personal information). Recommended solutions here are; 1.) establishing a people and culture team, 2.) introducing a new side-role such as ambassador of equity, 3.) an intranet page describing common and potential replies and issues, and 4.) an anonymous channel linked to the responsible concerns. The onboarding procedure should also be straightforward and organized. It should be organized so that a newbie can learn as much as possible in the easiest way feasible (e.g., onboarding buddy). A new employee's onboarding buddy assists in equipping them with the necessary information, resources, and details about the company and its partners. Organizations in this situation should, however, assist the onboarding procedure with several check meetings if all goes smoothly and provide a warm environment that encourages networking with all team members. According to those who participated in interviews, activities like welcome events, lunches with co-workers and managers, weekly coffee meetings, thorough onboarding training including technical specifics, culture, company values... etc., encourage participants to get involved more quickly, connect with the company and their co-workers better, and make them feel more valuable and welcome,

as well as a greater sense of satisfaction and higher motivation. Applying the same rationale is necessary during the offboarding process and task transfers.

No of the size of the business, all D&I and HR processes should be in some way formalized. The corporation does not have to undergo a total reorganization to formalize these processes; instead, it may be as straightforward as posting a few rules and guidelines on the intranet page and in contracts (e.g.: code of conduct, commitment on the page, etc.). Formalization of the processes is important because: 1.) no one can claim that they were not aware of and familiar with the rules; 2.) Once signed, people are more likely to adopt those behaviours; 3.) It provides a safety net for victims; and 4.) It acts as a compass for both the employees and the company.

3.4 Discussion

Regarding LGBTIQ+ diversity and its benefits to the organization it is unambiguous. LGBTIQ+ diversity yields substantial benefits for organizations both internally and externally. Since the community is relatively diverse within itself, it brings a variety of different perspectives and skills to the organization. According to interviewed decision makers, diversity contributes to idea generation, creativity, alternative solution, and innovation. Like any other diversity, it can provoke conflicts due to diverse perspectives. They additional illustrate experiences of how properly managed conflicts have led to improved decision making and learning, resulting in improved performance and financial results. Moreover, having a LGBTIQ+ diverse personnel works as a signal for minority members that they will be treated equally and offered equal career opportunities. Reported benefits were expected since are aligned to the examined theory from Cunningham and Melton (2014), Di Marco, Hoel, and Lewis (2021), Hossain, Atif, Ahmed, and Mia, (2019), Lloren and Parini (2016), and others.

Interviewed LGBTIQ+ members have a limited grasp of benefits; they recognize only some direct benefits (different perspectives, improved networking, idea generation, etc.), but do not recognize undirect benefits (better decision making, innovation, improved financial performance, etc.). They have also shown better understanding of internal benefits, than external ones.

Reportedly, interviewed decision makers have experienced external benefits such as; better understanding of various markets, improved company's image, increased consumer loyalty access to a more diverse and emphatic workforce, and self-identification with the organization, brand, or product. Less common reported benefits were a positive signal for stakeholders' and consumers' intentions, potential employees, partners, and competitors. Reported benefits are, again, in line with findings from studies by Shen, Changa, D'Netto, and Monga (2009), Campbell and Miguez-Vera (2007), Basset-Jones (2005), Ely, and Thomas (2001), and others.

Furthermore, disparities in understanding of long-term and strategic approaches between decision makers from large and small organizations have been shown. Decision makers from larger organizations have demonstrated a better understanding of theoretical D&I approaches and frameworks, a strategic understanding of the field, and long-term benefits, compared to decision makers from smaller organizations. I believe it is due to their company's international background, more comprehensive resources, and expertise in adopting diversity and inclusion efforts, and higher and more systematic support for D&I across the hierarchy. Smaller firms, on the other hand, may be more concerned with short-term gains. Nonetheless, firms of all sizes can gain from embracing LGBTIQ+ diversity in the long run, seeing that it adds not just to their immediate bottom line but also to their resilience and adaptability in a constantly changing business environment.

Implementing LGBTIQ+ friendly initiatives and supportive policies comes with several significant challenges. Decision makers and D&I specialists agree that these changes take time and call for a thorough approach. Firstly, it is crucial to point out that challenges and effort to overcome them originate from the motivational factors for implementation of LGBTIQ+-friendly initiatives. If motivation comes from internal factors, challenges will be more easily overcome and motivation more resilient over a long period, whereas external motivational factors can after a short period result in decrease in enthusiasm followed by the abandonment of these efforts.

One notable identified challenge lies in the fact that D&I-related functions and departments are perceived as non-essential by employees as well as some managers. That impacts the support and resources it receives. This perception of D&I departments and functions was also highlighted by Rabl, Triana, Byun & Bosch (2018). The conflict between short-term financial goals and long-term well-being is another challenge. Organizations frequently place a higher priority on short-term financial gains than on the long-term advantages of enhanced wellbeing. The same ideas were elaborated on by Beaver and Hutchings (2002).

In the process of implementation, decision makers spotlight people's resistance to change, especially if the change is connected to something that is so rooted in their beliefs. This resistance was highlighted by many authors (Reagans & Zuckerman, 2001; Shen, Chanda, D'Netto & Monga, 2009; Singh, Winkel & Selvarajan, 2013). In line with that, onboarding managers with these ideas to carry them on, and identifying eager employees (allies) is crucial, yet difficult. Executing these initiatives means more work. If the company does not have dedicated functions for this, it usually means after-hours activities resulting in overload of work. Which can again present a resistance and backlash.

Company size also matters, as larger organizations struggle with disseminating messages across hierarchical levels, while smaller ones may lack resources and strategic approaches. From my standpoint, a lack of strategic perspective may result in a loss of focus, motivation, and consistency in executing implemented initiatives. Due to the nature of these initiatives and their results, setting quantifiable goals and measuring them represents a big challenge.

The ability to measure diversity management policies was also highlighted by Gross-Gołacka, Kupczyk, and Wiktorowicz (2022). Lastly, dealing with bureaucratic processes when handling sensitive data adds complexity to the implementation process. Interviewed decision makers highlighted the sensitive nature of the topic and GDPR requirements.

I believe that the inclusion of LGBTIQ+ individuals at work relies on several important factors that are extremely intertwined at the individual and organizational level. The foremost consideration is the establishment of a work environment characterized by a high degree of psychological safety, which was emphasized by all interviewees. This requires creating a safe space where individuals can openly and authentically express their sexual orientation, gender identity, or gender expression. Completely free of concern about potential discrimination or bias. I see a psychologically safe environment as fundamental for fostering the real inclusion of everyone, regardless of their differences. Interviewees reported a feeling of fear as the biggest challenge to overcome in the work environment, which is consistent with the theory and studies (Harrison & Corley, 2008; Kark & Carmeli, 2009; Singh, Winkel & Selvarajan, 2013). According to the Maslow pyramid (Maslow & Lewis, 1987), being safe and not fearful is a bare minimum. Acceptance and, more importantly, celebration of someone's culture are far higher on the pyramid. Expression of one's true self should not only be accepted and respected but also celebrated. Inclusion yields the best results when LGBTIQ+ members can freely express who they are, without hiding or conforming to societal norms. Feelings of acceptance are highly important on the level of co-workers and especially managers, who can more easily be the sponsors and encourage and promote the D&I culture across the hierarchical levels. As reported by interviewees, coming out in the work environment should never be forced, but the organizational climate itself that encourages people to be themselves should be established. The same findings are elaborated on by Di Marco, Hoel, and Lewis (2021). Both LGBTIQ+ employees and managers agree, that not being honest about such a significant part of one's identity in the setting in which one spends so much time, prevent from establishing pure personal bonds.

Interviewees, as a factor of inclusion, stress out the feeling of acceptance by co-workers and managers. A high level of support creates a strong sense of belonging, which strengthens the sense of belonging to the organization and therefore improves self-identification with the organization. The same findings are emphasized by Hofnuijs, van der Zee, and Otten (2012). Interviewees report that by facing more positive experiences in a row and being publicly recognized for their contribution to the organization, their feeling of belonging and self-identification with the organization have increased. In line with having positive experiences, interviewees report increased trust in the organization. All of them believe in correct and fair responses in cases of bias in discrimination. Trust is a key factor in proper inclusiveness, as identified also by Basse-Jones (2005), Singh, Winkel, and Selvarajan (2013) and Woods (2011). In line with elaborated ideas of high psychological safety, freedom of choice, and trust towards the organization, the option to report potential discriminatory cases kicks in. Interviewees report that having the ability to report gives them extra confidence in the

organization and positively affects their trust in managers. Interviewed specialists stress the necessity of implementing anonymous channels for reporting.

To sum up, factors affecting the inclusion of LGBTIQ+ members on an individual level are:

- high degree of psychological safety,
- absence of fear,
- fundamental ground for expressing one's authentic self,
- great feeling of freedom of choice (especially when it comes to disclosing sexual orientation, gender identity, and expression),
- acceptance from co-workers,
- acceptance and recognition from managers,
- repeated positive experiences,
- self-identification with the organization's values
- great level of trust towards the organization's correct response in cases of discrimination,
- ability to report anonymously.

One of the primary factors to LGBTIQ+ inclusion is the implementation of educational initiatives. Interviewed LGBTIQ+ members emphasize the constant burden of constantly informing and educating people about the topic. Authors focus, that being inform about the topic lead to increased awareness and increased empathy. Concurrently, it positively affects preventing potential microaggressions, which are, according to all interviews and researchers (Hossain, Atif, Ahmed & Mia, 2019; Pierce, 1995), the most common form of discrimination. Microaggressions which are usually hidden are also more difficult to reduce compared to the open ones. For sure one of the levers to mitigate any case of discriminations is raising awareness about the topic and educate employees all over the hierarchical ladder. Changing people's beliefs cannot happen overnight, it demands time and maybe even swap of the generation. In both cases it is a long run, but in case of the microaggressions, the run is even longer. In this case firstly discriminatory behaviours must be acknowledged, and only then properly addressed and fixed. Therefore, I believe that making individuals aware of these kinds of behaviours and their harmful consequences is pivotal. As the best formal way to establish and foster inclusive culture, and simultaneously prevent discrimination, I see formalizing organizational rules (e.g., code of conduct), make them understandable by employees, and available to external public.

From my standpoint, the best way to earn employees respect is by showcasing concrete examples of good practice. Interviewees reported the emergence of positive attitudes when organizations have demonstrated commitment to equal opportunities with equal treatment of all employees (e.g., minority members in managerial positions). Fullerton (2013) emphasizes that such initiatives foster a sense of belonging among all members and promote the perception of fairness. Bear, Rahman, and Post (2012) elaborate on the positive effects on an organization's reputation.

When it comes to managers, I strongly believe that they should be closer to employees and perceived as an accessible resource. Demonstrating genuine care for employees' well-being as well as showing their vulnerable side (e.g., admitting mistakes) affects D&I culture positively. Both interviewee groups stressed the connecting role of managers and decision makers as a D&I culture booster. Since managers are usually financially goal-oriented, they may lack interest in LGBTIQ+-friendly initiatives that yield results in the long run. Therefore, I see as a must the introduction of non-financial goals (e.g., diversity and inclusion metrics) in performance evaluations. This not only encourages them but also aligns their goals with the organization's diverse objectives, making inclusion a shared mission.

Factors for better inclusion of LGBTIQ+ people on organizational level:

- employees and managers being educated about the topic,
- employees and managers being aware of potential unaware microaggressions,
- all employees being fully aware of the consequences of their actions towards vulnerable members and minority members,
- formalization of D&I,
- examples of equal opportunities shown within the organization,
- managers should come closer to people,
- deep understanding of long-term D&I benefits on a long-term,
- introduction of non-financial goals for managers.

3.5 Research limitations and future directions

In the initial phase of recruiting candidates, I encountered the reluctance of LGBTIQ+ individuals to participate in the research. The initial idea of this study was to interview and analyse only outputs of the LGBTIQ+ community members from medium-sized and large Slovenian companies that possess the LGBT-friendly certificate. Half of the sample should be represented by disclosed members of the LGBTIQ+ community in the work environment, whereas the other half by those who are still "in the closet". Similarities and differences between the two samples would be analysed with the purpose of identifying the main reasons and levers of openness about sexual orientation, identity, and expression in the work environment. Due to the very specific features and requirements, the response pool was either too small or unsuitable to be able to carry out such a study. I also believe that, as a master's student, I was not considered a sufficiently credible and trustworthy source. It is advised that NGOs and institutions with expertise in the area conduct thorough research of the differences and levers, performance, and well-being between outed and hidden members of the LGBTIQ+ community.

Limitation also includes a relatively high level of mistrust, resulting in community being "closed off" and not perfectly receptive to "outsiders". Individuals are not willing to share such personal characteristics and preferences. A further limitation is that I managed to gather

only the LGB part of the community for the study. Reasons for this can be found in our cultural context, where there are fewer people who identify as TIQ. These people are also less open about the subject because it is still seen as taboo and not a topic, they are yet comfortable talking about.

The study focuses on examples of good practices and was carried out with a sample of people and companies active in the field of LGBTIQ+ rights advocacy. This also represents a certain natural selection and, therefore, a distinction from companies that are not active in this field or even non-inclusive of this respective community. Otherwise, they would probably be a "treasure trove" of knowledge about how not to act and how not to care for the well-being of a diverse work environment and their members, but I believe that for the sake of the topic, they would be uncooperative.

Study focuses on characteristics that are not easily measurable and difficult to study, therefore have received little to no research in our region. Moreover, they could be perceived by individual participants as an invasion of privacy.

The research used qualitative methods and had a small sample size, so we cannot apply and generalize the findings to the whole population. To expand our understanding, future research should focus on quantitative methods, encompassing a wider range of organizations, including ones that are not active in the LGBTIQ+ field. Additionally, involving non-LGBTIQ+ individuals in the research will provide a more comprehensive perspective on the topic and it is highly recommended. This study and its findings can lay the groundwork for research.

4 RECOMMENDATIONS AND IMPLICATIONS FOR PRACTICE

Based on the theory examined and the finding from this study, this paperwork provides a set of 20 D&I and LGBTIQ+-friendly guidelines that all organizations, regardless the size, financial status or field, can implement and follow. These guidelines are designed for broad accessibility, using simplified expressions and language, ensuring they can be understood and embraced by a wide range of individuals and applied to any kind of organization. I call it The RainbowPrint: 21 initiatives to a LGBTIQ+ equity. The rationale behind establishing 21 initiatives is rooted in the psychological principle that it typically takes around 21 days to form a habit.

1. Change starts internally

Conduct self-evaluation and identify D&I areas where you perform good and where you lag behind. Ideally the evaluation is executed by a third-party investigator. Identify areas where you want to make changes and evaluate which company's values you follow and which one not.

2. Set clear organizational values and put them to the company page.

Published values serve as a public commitment and moral compass of an organization. Additionally, they also serve as a filter in the process of acquiring new talents. Values should not exclude any minority. (For example, LGBTIQ+ people or people who are medically incapable of having children may feel excluded by the value “traditional family”). Employees must comprehend, accept, and respect values. The culture of a corporation should convey clearly defined limits and respect for privacy. It should inspire people to educate themselves or ask questions rather than making assumptions.

3. Understand employees' change perspectives.

According to change management theory, in order to implement changes more effectively and with less risk of backfire, you must first understand your employees and their expected reaction to changes. Managers should understand their employees' visions or colours of change (a model established by Leon de Caluwé and Hans Vermaakare, 2006). Knowing this, change implementation should be more effective and less difficult.

4. Decide the minority focus.

Companies should not focus primarily on one minority group. Internal research and an understanding of how diverse the workplace is and where the needs are to design specific programs are the first steps. Organisations should then prioritize which minorities they will target, but this decision should be driven internally rather than by external trends. Organization's initiatives should reflect and encourage their workplace's diversity, as well as its employees' needs and rights.

5. Formalize diversity and inclusion.

When you formalize something and put it on paper or in corporate rules or statutes, it increases the possibility that employees will obey and follow it. Any organization, regardless of size or financial resources, may achieve this. The code of conduct should be a central holy document that everyone understands and signs. The code of conduct prevents people from acting discriminatory in the workplace. It prevents visible and evident prejudice, but not hidden or microaggressions that people are unaware of. As a result, microaggressions should be addressed differently - through education. All the document regarding a company policy should be created with minority-centred approach.

6. Education about the D&I and LGBTIQ+ related topics.

Lack of education is one of the fundamental reasons for discriminatory thinking and acting. Education should engage all levels of the organization, but it must be tailored – managers must have in-depth understanding of the subject as well as the ability to transfer that information to their employees. Therefore, are recommended numerous approaches for

determining employee kinds (an earlier suggestion De Caluwé's colour theory, 2006). It is critical to implement changes more effectively. Furthermore, personnel in roles that do not require a high level of knowledge must be educated in a different manner. It has been proven that those with less education are in general less inclusive. This should be considered while developing educational content. Organisations cannot, of course, control their employees' behaviours and activities, but they can intervene, take an educational and supportive role, and lead by example. Measures should also be developed with an educational approach in mind. Organizations should take on responsibility for employee education rather than punitive tactics and policies. Educational materials such as movies, gatherings, activities during the Pride month, articles, and so on help to raise awareness and reduce the stigma surrounding LGBTIQ+ people. The biggest stigma stems from a lack of knowledge and from disconnection with the subject.

7. Bring managers closer to people.

Organizations should welcome diversity and minorities. It should not be a matter of choice, but rather of necessity, regardless of managers' personal convictions. Companies have the responsibility to provide a safe and inclusive work environment. Managers should be concerned about private matters to some extent; it is truly a contextual issue. Nonetheless, companies should take an interest in their employees' well-being, especially during difficult circumstances. It might be heart-warming and inspiring to show people within the organization that you (as a leader) care about how they feel. (Of course, no inquiring about personal affairs). We are talking about finding the correct line/balance here. Managers must be compassionate in this approach.

8. Establish people & culture team.

People and culture team should consist of employees with well-developed soft skills and empathy. It should be voluntarily based but yet fully supported by the organization (recognition, financial resources, education). People and culture team, its role, and responsibilities, should be clearly presented to all employees.

9. Introduce a new role of D&I ambassador or LGBTIQ+ ambassador.

This role's responsibility is to increase the visibility of a specific minority (or more of them minorities). The LGBTIQ+ coordinator or D&I coordinator provides a completely safe environment for seeking answers and support. Furthermore, an LGBT ambassador/coordinator should serve as a liaison between employees, HR, and upper management.

10. Obtain the LGBT-friendly certificate.

The LGBT Certificate guides you through an educational process designed to make employees more familiar with LGBTIQ+ issues, increase awareness, and contribute to the

creation of a safer environment. It is in cooperation with specialists from the field and affordable for all.

11. Connect with (non-governmental) organizations that deal with minorities.

Pick an organization that shares your beliefs and focuses on the minority that is in your focus. By collaborating with such a group, the company will be kept up to date on minority-related news and trends. Yet the most significant factor here is first-hand experience and knowledge. It has been often stated that persons who have LGBTIQ+ friends understand LGBTIQ+ related circumstances better than those who do not have this experience. To keep in sync, up to date, and develop much-needed knowledge and soft skills, the D&I department should regularly collaborate with NGOs and minority members.

12. Set a speak up system.

The speak-up channel or system is a confidential tool that assists victims of injustice or discrimination. It resolves discrimination issues that have never been fully explored and resolved. Employees, in general, are afraid of reporting things for a variety of reasons, including; not believing in the company's correct response (lack of know-how and professionalism in dealing with these types of cases), fear of not being believed, fear of being perceived as a snitch, fear of destroying work dynamics, and so on. That is why it is critical to build a system that encourages discrimination reports, supported by a third-party objective investigators. It is critical to create a culture around it. Employees must accept that this is not an appellate division, but rather a space for complaints involving discrimination. Secondly, it is essential to develop a culture that does not condemn victims but instead supports them.

13. Implement good practices from other companies.

As we can see, the organizations that flourish in the LGBTIQ+ areas in Slovenia are primarily those with worldwide expertise. Following good practices from abroad is thus highly advised, particularly by companies in the same industry. Furthermore, connecting and networking with LGBTIQ+-friendly recognized organizations or firms from Listina Raznolikosti may be advantageous in terms of information exchange. If your company has international branches, make sure you track them and share data with them. This could help to avoid potential cultural misfits. Businesses having worldwide divisions should support work exchanges in to broaden people's horizons.

14. Visibility of minority members.

As an example, consider the roles of female executives. The situation of LGBTIQ+ individuals in positions of power is comparable to that of women in the past. And, as we can see, techniques such as visibility, quotas, initiatives, education, and so on performed well in this term. Not to imply that the situation with women in positions of power is perfect now,

but some methods worked well and should be replicated in other minority circumstances. Visibility minimizes the level of fear. It is crucial and can be done without any cost and consultancy – it can be done by anyone practically. With the concept of "lead by example" in mind, leaders should be the ones who embrace projects first and foremost.

15. Implement LGBTIQ+-friendly initiatives.

LGBTIQ+ initiatives, like all other initiatives, must be "pushed" within the organization in some manner. An initiative must be taken by motivated and dedicated individuals who care about the subject. They must be the ones who come up with ideas, suggestions, and so on. Organizations must acknowledge and honour these persons, as well as provide them with complete support (know-how, spotlight, recognition, time, financial resources, etc.) If there is mutual interest, the organization must financially support those projects. Top positions or leaders, on the other hand, should be the first to accept those initiatives and therefore lead the way.

16. Implement n % of the working time or days/year as a “giving back to society”.

People value a healthy culture and a sense of freedom more than monetary rewards. One strategy may be to designate two extra days of vacation each year for volunteering in the field of a choice. It could improve employees' well-being and connection to the organization, as well as develop their empathy and social skills, resulting in higher acceptance of diversity and minorities.

17. Integrate non-financial goals.

Although management typically places a higher priority on financial objectives, incorporating non-financial goals is essential. These aims (e.g., achieving specific diversity milestones through assessments or attaining certain levels of organizational well-being, etc.) should be linked to reward incentives. This approach not only motivates managers internally but also positions them as drivers of transformative change. That can be used as a leverage for fostering the top-down approach of change management.

18. Identify advocates within the company to act as sponsors.

Not financial sponsors but sponsors for recommended initiatives. Sponsors are the ones opening doors for minority members, putting recommended initiatives in spotlight, publicly supporting implemented initiatives, etc. These sponsors should hold high-level positions within the organization to effectively support and promote initiatives.

19. Identify minority allies and support them.

External supporters from outside of the community are key to spreading awareness beyond minority communities. They play a vital role in spreading awareness and information to those who may be sceptical or opposed.

20. Monitor and measure.

Monitoring and measuring LGBTIQ+ initiatives is essential to assess their impact, ensure accountability, and drive continuous improvement in promoting inclusivity and equity within organizations. Implement surveys, feedback mechanism, performance metrics, periodic assessments and calculate return on investment (ROI) to obtain a wider and more tangible picture.

21. Consistency is the key.

As highlighted repeatedly in this master's thesis, the success of LGBTIQ+ initiatives depend on their sustained efforts. While positive outcomes will eventually materialize, awareness of long-term component is crucial.

CONCLUSION

This masters' thesis underscores the significance of D&I strategies and their benefits in today's business world. It focuses on LGBTIQ+ minority and policies and initiatives to include this minority efficiently and respectfully in workplace. It underpins benefits and challenges of such policies.

Moreover, it presents key findings from deep interviews with LGBTIQ+ members and decision makers from Slovenian mid-size and large organizations, that are recognized as LGBTIQ+ friendly. Additionally, it elaborates these findings with insights from deep interviews with D&I specialist and NGO representative. It sums up practices and strategies of most successful organizations in D&I management from our cultural and business context, and multidimensional perspectives of involved individuals. Qualitative data obtained from this thesis can serve as an initial phase to lay the groundwork for imperative quantitative research this topic really needs.

The study's findings indicate that the examined organizations excel in the field of D&I and LGBTIQ+-friendly initiatives. They follow the latest D&I and LGBTIQ+ standards, trends, and policies and present examples of other companies in the wider region. Their actions are purely internally motivated. Their influence on this field extends to governmental level, albeit their partial awareness of this influence. Implementation and execution of LGBTIQ+-friendly initiatives yield numerous internal and external benefits, well-recognized by decision-makers within these organizations. Recognition of related challenges and strategic approaches to them vary between decision makers depending on the organization they work for and its characteristics (e.g., size, international background, D&I strategy, HR-related departments, and roles, etc.). Such initiatives have also been recognized as successful and first-hand, from interviewed LGBTIQ+ members. The forefront benefits expressed are; improved well-being, feeling of acceptance, higher psychological safety, improved

connection with organization. Bringing authentic self to work and disclosing sexual orientation, expression, and identity, was stressed as an important factor. As the biggest personal obstacle, a great level of fear was emphasized.

In terms of theoretical contribution, this master's thesis provides valuable insights from LGBTIQ+ members, decision makers that are actively and directly involved in implementation and execution of LGBTIQ+-friendly policies. It tackles the phenomena of D&I of LGBTIQ+ minority in workplace from various angles and levels and therefore offers us valuable professional and personal view of this phenomena and its specifics.

In summary, this thesis first provides an overview of D&I, its management, outcomes, and challenges. Secondly, it focuses on LGBTIQ+ diversity and its effects and challenges in the business environment. Thirdly, the master's thesis offers us an overview of the LGBTIQ+ situation in Slovenia. Fourthly, it provides us with insights from individuals who shape this cultural and organizational environment and drive change in our region. Finally, the thesis answers the research questions and provides a set of guidelines that organizations can follow to become an LGBTIQ+-friendly organization and prosper from it. Guidelines, named The RainbowPrint: 20 Steps to a LGBTIQ+ Equity, consist of 20 steps every organization can implement on their path to the LGBTIQ+ equity and related benefits.

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APPENDICES

Appendix 1: Summary in Slovene

Namen tega magistrskega dela je poudariti pomen politik raznolikosti in vključevanja (D&I) v poslovnih okoljih. Prav tako je namen magistrskega dela ozaveščati o politikah raznolikosti in vključenosti, ki naslavljajo LGBTIQ+ manjšino ter kakšne izzive in prednosti prinesejo te politike.

Cilj magistrskega dela je ponuditi poglobljen vpogled v razmišljanja in doživljanja LGBTIQ+ posameznikov in odločevalcev iz vodilnih slovenskih podjetij na področju zagovorništva LGBTIQ+ pravic in razumevanje teh pogledov združiti s pogledi strokovnjakov s tega področja. Glavni cilj je organizacijam v slovenskem okolju, ne glede na velikost, finančne zmožnosti in industrijo, sistematično predstaviti smernice do LGBTIQ+ enakosti v delovnem okolju.

To magistrsko delo poudarja pomen strategij raznolikosti in vključenosti za pripadnike skupnosti LGBTIQ+ v organizacijah iz slovenskega poslovnega okolja. Predstavlja pobude, ki jih vodilne organizacije na tem področju uporabljajo in opozarja na izzive ter prednosti, ki jih implementacija in izvajanje takšnih politik prinese.

V teoretičnem delu magistrskega dela nas strokovna literatura seznanja s politiko raznolikosti vključevanja na splošno, v nadaljevanju pa nas podrobneje seznanijo s specifikami skupnosti LGBTIQ+ in politikami raznolikosti in vključevanja uperjenimi zoper te skupnosti.

Raziskovalni del magistrskega dela naslavlja fenomen raznolikosti in vključenosti pripadnikov skupnosti LGBTIQ+ v slovenskih podjetjih iz več zornih kotov. Globinski intervjuji z različnimi deležniki (pripadniki skupnosti LGBTIQ+, odločevalci v LGBTIQ+ prijaznih podjetjih, specialisti s področja D&I ter LGBTIQ+ vključenosti in predstavnic nevladne organizacije za zagovorništvo pravic skupnosti LGBTIQ+) nam ponudijo celosten vpogled in poglobljeno razumevanje tematike.

Praktični izsledki in ugotovitve raziskovalnega dela so skladni s preučeno teorijo. Izsledki globinskih intervjujev predstavnikov skupnosti LGBTIQ+, ki se osredotočajo na osebne izkušnje iz delovnih okolij ter zaznanimi učinki LGBTIQ+ prijaznih politik in izsledki odločevalcev iz LGBTIQ+ prijaznih podjetij ter specialistov s tega področja, so predstavljeni ločeno. Slednji nam predstavijo proces implementacije takšnih politik, povezane pasti in izzive, ter njihovimi kratkoročnimi in dolgoročnimi prednostmi. V zaključku magistrsko delo ponudi model enaindvajsetih smernic (Mavrični načrt: 21 smernic do LGBTIQ+ enakosti), ki temeljijo na teoretičnih zasnovah in praktičnih izsledkih globinskih intervjujev. Smernice so prilagojene slovensko kulturno in poslovno okolje.

Appendix 2: Guidelines for interviews with decision-makers from Slovenian LGBTIQ+-friendly organizations

Smernice za vprašanja globinski intervju – HR specialisti v LGBT prijaznih podjetjih

Podjetje in funkcija

- V nekaj stavkih opišite sebe in vaše podjetje.
- Število zaposlenih
- Velikost podjetja
- D&I ter LGBT prijazne politike
- Strukture
- HR podpora
- Izvajate še kakšne D&I politike? Zakaj?
- Kakšna izobraževanja ter treninge za zaposlene izvajate? Zakaj?
- Kdo jih izvaja? Zakaj?
- Obseg diversity %?

Motivacija za implementacijo D&I politik

- Zakaj ste se odločili pridobiti naziv oz. certifikat LGBT prijaznega podjetja? Razlogi in motivacije?
- Bi lahko zanikali, da je eden izmed faktorjev motivacije tudi dobra pojavnost oz. izboljšana slika podjetja med javnostmi?
- Ste se za to odločili zaradi lastnih interesov ter na podlagi lastne presoje?
- Imate v podjetju zaposlene predstavnike LGBT+ skupnosti? Koliko? (Zakaj?)
- Koliko se čutite osebno vpletene v izvajanje D&I praks?

Implementacija Največji izzivi pri implementaciji LGBT prijaznih politik? Zakaj?

- Kaj je bilo skladno s pričakovanji in kaj ne?
- Koliko se čutite osebno vpletene v implementacijo LGBT prijaznih politik?
- Kako je implementacija bila sprejeta s strani zaposlenih?
- Kako so sprejeli vodje (middle management), ko so iniciative in politike mogli predajat in učiti podrejene?
- Najbolj pozitivni odzivi?
- Najbolj pozitivni rezultati?
- Najbolj negativni odzivi?
- Najbolj negativni rezultati?

Izvedba

- Kako so implementirane LGBT prijazne politike uspešne? Zakaj?

- Največje prednosti LGBT prijaznih politik na kratek rok?
- Največje prednosti LGBT prijaznih politik na dolgi rok?
- Največje slabosti LGBT prijaznih politik na dolgi rok?
- Največje slabosti LGBT prijaznih politik na kratek rok?
- Kako spremljate rezultate?
- Kakšni so vaši načrti za prihodnost na tem področju? Zakaj?

Appendix 3: Guidelines for interviews with decision-makers from Slovenian LGBTIQ+-friendly organizations

Smernice za vprašanja globinski intervju – LGBTIQ+ osebe

Uvod in predstavitev osebe

Prosim, če se lahko v nekaj besedah opišeš.

*Če se oseba sama ne izpostavi spolne usmerjenosti, identitete, izraza povprašaj po le-tej ter izpostavi, da je to za voljo boljšega razumevanje celotne slike ter opravljanja raziskave.

Podjetje in delovno okolje

- Kje si zaposlen_a?
- Število zaposlenih
- D&I ter LGBT prijazne politike
- HR podpora
- Tvoja pozicija oz. vloga
- Si v delovnem okolju »out«?

Doživljanje delovnega okolja

- S kakšnimi izzivi, težavami, problemi se, zaradi svoje spolne usmerjenosti, soočaš v delovnem okolju?
- Opiši svoj delovni vsakdan – fokus na občutke, limitacije, ovire, (ne)podporo v okolju, (ne)sprejemanje, ipd.
- Se kdaj zaradi svoje spolne usmerjenosti, spolne identitete, ali izraza znajdeš v neprijetni situaciji? Kakšne so te situacije? Opiši.
- Zakaj ti je neprijetno? Kakšne občutke doživljaš?
- Zakaj misliš, da je temu tako? Kaj so vzroki ter razlogi za nastanek takih situacij?
- Se kdaj zaradi svoje spolne usmerjenosti ali spolne identitete znajdeš v privilegirani situaciji? Kakšne so te situacije? Opiši.
- Zakaj misliš, da je temu tako?

Out v delovnem okolju?

- Ali si v delovnem okolju razkril_a svojo spolno usmerjenost oz. identiteto? Zakaj?
- Kakšni so občutki, ko skrivaš? Zakaj?
- Te skrivanje spolne usmerjenosti ter identitete kje omejuje? Zakaj?
- Kaj se ti zdi, da bi se zgodilo, če bi se popolnoma razkril_a?
- Kako bi sodelavci ter nadrejeni sprejeli tvoje razkritje? Zakaj?

Pozitivne in negativne izkušnje

- Si bil_a kdaj, zaradi svoje spolne usmerjenosti, identitete, izraza, v delovnem okolju stigmatiziran_a?
- Opiši svojo najbolj pozitivno izkušnjo? Prosim osredotoči se na občutke. Si situacijo delil_a?
- Je podjetje na situacijo ustrezno odgovorilo? Kako?
- Opiši svojo najbolj negativno izkušnjo? Prosim osredotoči se na občutke. Si situacijo prijavil_a?
- Je podjetje na situacijo ustrezno odgovorilo? Kako?

Podpora podjetja

- Se počutiš v delovnem okolju varno?
- Na lestvici pokaži, koliko varno se na svojem delovnem mestu počutiš?
- Na lestvici pokaži koliko verjameš, da bi ti podjetje, v primeru diskriminacije na podlagi spolne usmerjenosti ali identitete stopilo v bran?
- Ti podjetje nudi oporo in omogoča psihološko varnost?
- Kakšna so tvoja pričakovanja od HR podpornih politik v podjetju?
- Si kdaj imel_a občutek, da si bil_a, zaradi spolne usmerjenosti drugače obravnavan_a v delovnem okolju?

Refleksija

- Kaj bi ti, kot odločevalec/odločevalka, v podjetju spremenil_a na področju vključevanja ter zagovornišva pravic LGBTIQ+ zaposlenih spremenil_a? Zakaj? Kako?
- Kakšne razlike pri sebi opaziš, ko si v okolju, ki te popolnoma sprejema? Zakaj?

Appendix 4: Guidelines for interviews with D&I specialists

Smernice za vprašanja globinski intervju – LGBTIQ+ osebe

Predstavitev

- S čim se ukvarjaš? Kaj je tvoja funkcija?
- Zakaj si se odločil_a za takšno pot?

Splošno stanje LGBTIQ+ skupnosti v Sloveniji?

- Državna rave
- Stanje v podjetjih
- Primerjava s tujino
- Rainbow washing

Primeri dobrih praks iz Slovenije

- Primeri podjetji
- LGBTIQ+ prijazne aktivnosti in politike

Motivacije za implementacijo LGBTIQ+ prijaznih politik

- Zakaj se organizacije odločajo implementirati takšne politike?
- Naziv oz. certifikat LGBT prijaznega podjetja? Razlogi in motivacije?
- Bi lahko zanikali, da je eden izmed faktorjev motivacije tudi dobra pojavnost oz. izboljšana slika podjetja med javnostmi?
- Notranji in zunanji motivacijski dejavniki.

Implementacija Največji izzivi

- Kako uvajati spremembe?
- Kako uvajati LGBTIQ+ prijazne politike? Zakaj?
- Kako je implementacija bila sprejeta s strani zaposlenih?
- Kako je bilo sprejeto s strani zaposlenih?
- Kako so sprejeli vodje (middle management), ko so iniciative in politike mogli predajati in učiti podrejene?
- Najbolj pozitivni odzivi?
- Najbolj pozitivni rezultati?
- Najbolj negativni odzivi?
- Najbolj negativni rezultati?

Izvedba

- Kako so implementirane LGBT prijatne politike uspešne? Zakaj?
- Največje prednosti LGBT prijaznih politik na kratek rok?
- Največje prednosti LGBT prijaznih politik na dolgi rok?
- Največje slabosti LGBT prijaznih politik na dolgi rok?
- Največje slabosti LGBT prijaznih politik na dolgi rok?
- Kako dobro odločevalci razumejo prednosti in slabost ter časovni vidik uspešnosti?
- Kako podjetja spremljajo rezultate?

Appendix 5: The RainbowPrint: 21 Initiatives to a LGBTIQ+ equity brochure (front)

Picture 1: Brochure front page design.



Source: Own work.

Appendix 6: The RainbowPrint: 21 Initiatives to a LGBTIQ+ equity brochure (back)

Picture 2: Brochure back page design.



Sprememb se najprej lotite interno.
Interna evalvacija močnih in šibkih točk na področju raznolikosti in vključenosti. Definirajte področja, kjer želite doseči spremembo.

Postavite jasne vrednote in jih javno komunicirajte.
Javno komunicirane vrednote služijo kot zaveza in moralni kompas organizacije. Služijo tudi kot signal in sito na trgu talentov.

(S)poznajte zaposlene in njihov odziv na spremembe.
Opravite psihološke teste in model 5 barv razmišljanja in managementa sprememb (Léon de Caluwé and Hans Vermaak).

Določite fokusne ranljive skupine.
Izbor ranljivih skupin mora biti odraz raznolikosti zaposlenih in njihovih potreb. Hkrati pa morajo initiative biti vključujoče do vseh manjšin.

Formalizirajte raznolikost in vključenost.
Napisane stvari služijo kot zaveza in se jih ljudje bolj držimo. Oblikujte kodeks obnašanja, ki naj služi kot glavno vodilo etike in morale znotraj organizacije.

Redno (se) izobražujte.
Pomanjkanje izobrazbe je eden glavnih razlogov za diskriminatorno razmišljanje in ravnanje. Izobraževalne vsebine morajo biti prilagojene glede na predhodno znanje in vloge v organizaciji.

Približajte odločevalce zaposlenim.
Nadrejene osebe morajo pokazati zanimanje in skrb za dobro počutje zaposlenih. Raziskave kažejo, da priznanje napake nadrejene osebe pozitivno vpliva na psihološko varnost zaposlenih.

Vzpostavite People & Culture ekipo.
Ekipo temelji na prostovoljnem članstvu zagnanih zaposlenih z visoko razvito empatijo. Vodstvo mora ekipo podpirati idejno in finančno.

Vzpostavite funkcije ambasador_k_jev oz. koordinator_k_jev.
Vloga te funkcije je povečanje vidnosti manjšin in povezava med zaposlenimi iz teh manjšin in vostvom.

Pridobite certifikat LGBT-prijazno
Prijavite se na certificiranje za LGBT-prijazno podjetje, ki ga za MOL izvaja nevladna organizacija Legebitra.

Povežite se z nevladnimi organizacijami in strokovnjaki_njami.
Mreža nevladnih organizacij je v Sloveniji zelo dobro razvita in široko dostopna. S takšnimi povezovanji ostanete v koraku z dogajanjem v osrčju manjšin in imate vedno možnost posveta.

Vzpostavite sistem speak-up.
Ustvarite anonimen sistem za prijave diskriminacije in krivic. Spodbujajte prijave ter zagotovite podporo žrtvam. Diskriminacije raziskujte s pomočjo neodvisnih preiskovalcev.

Implementirajte dobre prakse ostalih.
Mrežite se z vzornimi podjetji. Izmenjujte znanje in dobre prakse.

Strateško vzpostavite LGBTIQ+-prijazne politike s časovno definiranimi cilji.
Strateški pristop in vsebinska ter časovna definicija ciljev je ključno vodilo za dolgoročno uspešnost.

Implementirajte ne-finančne cilje za odločevalce.
Z drugimi besedami - kako vodilne osebe motivirati tudi za doseganje ciljev s področja D&I ter dobrega počutja zaposlenih. Tak pristop omogoča hitreje premike.

Dodaten dan dopusta za prostovoljstvo in vračanje družbi.
Prostovoljstvo dokazano pozitivno vpliva na izboljšanje empatije. Dodaten dan dopusta za dober namen pozitivno vpliva tudi na splošno počutje zaposlenih.

Identificirajte zaveznice_ke manjšin.
Zaveznice_ki so podpornice_ki izven skupnosti in Igrajo ključno vlogo pri širjenju zavedanja in informacij med tistimi, ki so morda skeptični ali nasprotujoči.

Identificirajte advokate_tinje in sponzorje.
Tisti, ki "odpirajo vrata", javno podpirajo pobude, jih postavljajo v središče pozornosti, itd.

Zagotovite vidnost predstavnic_kov manjšin.
Izpostavljenost in vidnost predstavnic_kov manjšin na odločevalskih položajih je skladen z načeli enakosti in deluje kot pozitiven signal za ostale manjšine.

Spremljajte izvedbo in merite rezultate.
Za oceno učinka in odgovornost LGBTIQ+ pobud uporabite ankete, povratne informacije in kazalnike uspešnosti.

Doslednost je ključna.
Uspeh pobud LGBTIQ+ je odvisen od vztrajnih prizadevanj in dolgoročne zavezanosti.

Source: Own work.