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PRINCIPLE ONE: INCLUSION

Across all four business sectors I researched (Fortune 500 companies, government, colleges and universities, and small business), gay executives overwhelmingly believe that their commitment to inclusion is a fundamental source of their leadership success. Regardless of the field or industry, my research identified inclusion as the overarching principle that guides gay executives in inspiring their employees to become fully engaged in their work and committed to excellence as *equal participants* in the organization. This first principle of inclusion is what tethers the G Quotient to its own framework of efficacy. Because G Quotient leadership is built upon complementary beliefs and principles, without inclusion as its guiding credo, the other six principles would have little if any meaning or impact.

While G Quotient environments typically consist of employees who reflect diverse demographic backgrounds, I found that as a principle of leadership, inclusion is less about diversity and much more about equality. Because inclusion and diversity are often used interchangeably, it's important to distinguish between the two so as to provide a clear understanding about how this first principle makes a positive impact in these environments.

Consider that diversity focuses on *differences*—different cultures, ages, and sexual orientations. Inclusiveness focuses on sameness. In this context, *sameness* means that all employees are given equal support to succeed in the organization based on their manager's demonstrated commitment to individual value. Because

Eighty-two percent of gay executives report that they always believe that diverse populations result in diverse talents and skills, all of which they affirm are necessary for the success of their organizations.

G Quotient environments represent true meritocracies, employees will or will not succeed based solely on their individual abilities and initiative.

For gay executives and their employees, I found inclusion to be defined much more by acts and behaviors than by language and organizational policies. In the words of one Fortune 500 employee, “Lip service doesn’t count anymore.” Consistently described by their employees as *motivators* rather than *dictators*, G Quotient leaders frequently convey respect and value for their employees in two ways—through *economic tangibles* and *emotional tangibles*. Economic tangibles refer to those employee-centered benefits and programs that require some type of financial investment by the company, regardless of whether its purpose is to enhance life external to or internal to the workplace. Emotional tangibles, on the other hand, equally convey respect and value, but deal with more personal commodities such as confidence and trust. As a fundamental part of their own makeup, inclusion can be considered second nature for the majority of gay executives profiled in this book for the reasons described earlier. It’s about that different worldview gay executives develop from walking down the pedestrian aisle instead of being on the automatic sidewalks.

**Building an Inclusive Empire:
Mitchell Gold and Bob Williams
Founders, Mitchell Gold + Bob Williams**

Mitchell Gold and Bob Williams have built a furniture empire based on respect for their employees, customers, and business partners. Since 1989, when they created The Mitchell Gold Company,

renamed in 2005 as Mitchell Gold + Bob Williams, these award-winning entrepreneurs have revolutionized their industry in design and corporate leadership. To a great extent, their success story is the result of the positive relationship they've consciously created between three organizational ingredients: vision for the company, products and services, and approach to leadership.

While some companies can become successful based on two of these three ingredients—never just one—it's rare to sustain and grow that success without the ability to manage and capitalize on all three. Beginning with their vision for manufacturing furniture based on trends they first observed in the apparel industry, their products quickly became synonymous with style, quality, comfort, and service. At the same time, the company itself became known as one of the best and most inclusive places to work in the entire country.

In companies where gay executives are also founding officers, this first principle of inclusion has, without question, shaded all aspects of organizational development from the very beginning. Without the constraints of preexisting corporate structures, as in the case of Mitchell Gold + Bob Williams, G Quotient leaders are free to build organizational cultures from the ground up—based entirely on their own set of beliefs and principles.

As already described, the likelihood that gay executives will place a greater emphasis on the individual value of their employees is connected to their experience of being in society in a different way. Mitchell and Bob told me that one of their biggest motivators for creating a company where respect and value are unwavering ideals is the discrimination they have experienced in their own lives. "In a practical sense," they said, "it's actually one of the benefits of being gay; you learn to respect the fact that all human beings are important, and that's always been a driving force behind the success of our company."

Their belief that "all human beings are important" is most telling in relationship to the location of their company's headquarters in Taylorsville, North Carolina. A conservative region not known for being gay-friendly, this is decidedly a long way from New York,

Los Angeles, or San Francisco. The reason I believe this is so significant is that their commitment to respect and value in the workplace, and their related approach to organizational leadership, has transcended the seemingly entrenched social barriers typically associated with the region's conservative, fundamentalist ideologies. Today, the company is one of the most sought-after employers among straight people in the region.

Inclusion as a leadership principle centers on the need to promote equality in the workplace that isn't just about perceived minority communities or personal affiliations. On this subject, Mitchell and Bob were the first to bring up how strongly they believe in the importance that straight employees never feel "less valuable" than gay employees. It's an interesting point that I heard repeatedly from other gay executives as well. In fact, many of the smaller workplace environments had no gay employees at all.

Having worked with many of the nation's top employers over the last decade, I can attest to the fact that finding organizations that are diverse but not inclusive is unfortunately an easy task. On the other hand, inclusive organizations are typically always diverse because they value the strength of individual difference. I've also found that in non-inclusive environments, employee diversity often creates a sizable barrier to organizational movement rather than acting as a propellant. Why? Because if diversity is to benefit an organization, *inclusion* must be part of the culture in order to prevent the homogeneity of talents, skills, and ideas.

As entrepreneurs and organizational leaders, Mitchell and Bob live a commitment to inclusion that has proven extremely successful.

Much of our leadership success is the direct result of our ability to look at people as unique individuals. From a management perspective, one of our core beliefs has always been that every employee should be treated with dignity and respect. Employee motivation begins with creating an environment where everyone has a place of importance.

—Mitchell Gold
and Bob Williams

From the beginning, we have always believed that good leadership goes beyond just talking about doing the right thing. If you don't back your words up with action, you lose credibility. As a company, we have consistently demonstrated our commitment to equality and fair play by taking on the responsibility to improve the quality of life for our employees and their families, in addition to making the working environment as hospitable and enjoyable as possible. For us, it's about respecting the fact that all human beings are important—that's what real family values are all about.

—Mitchell Gold and Bob Williams

They have more than seven hundred employees, and their furniture is sold in the stores of top home retailers, including Pottery Barn, Crate & Barrel, and Restoration Hardware. In addition, almost twenty showrooms across the nation bear their own name. Even with all the press and accolades, their factory in Taylorsville, often referred to as the furniture capital of the United States, remains the heart and soul of their company. It's also where Mitchell and Bob “walk the talk” of respect and value on a daily basis.

Beyond the benefits designed to improve the general quality of life for their workforce, including a scholarship program for employees and their children, annual health fairs, and an on-site day care and child enrichment center, I found a commitment to improving life *inside* the workplace as well. In North Carolina, where humid summer temperatures often reach 100 degrees, Mitchell Gold + Bob Williams was the first company in the area to provide its employees with an air-conditioned factory. One of the more unusual inside improvements that also contributes to a greater level of work-life balance is something they call the “Comfort Zone.” The Comfort Zone is a dedicated space in the factory where employees can take advantage of a variety of concierge services, ranging from dry cleaning to car washing.

Targeting a more basic level of human need—food and facilities—the company provides an on-site café for employees with not just a

cook but a *chef*. As for the facilities, the bathrooms are cleaned twice a day to provide a better standard of living in the working environment itself.

Collectively, these employee-centered benefits and programs unquestionably play a pivotal role in explaining why the company has the lowest rate of employee turnover in Alexander County as well as industry-high levels of productivity. Mitchell Gold + Bob Williams is a company that has done more than change an industry, as Chapter Ten describes, it has also changed the worldview of its employees.

Why Inclusion Paves the Way for Motivation

It's impossible to talk about inclusion without talking about *motivation*. Inspiring employees to become more engaged in their jobs and committed to excellence depends on the presence of corresponding positive levels of personal motivation. As an employee-centered paradigm rather than a management-centered one, G Quotient leadership ties personal motivation to the leadership principle of inclusion. Think of leadership that *inspires* rather than *rules*. To inspire empowered employees to become engaged in their work, leaders must first commit to the development of an organization that affirms the value of its workforce. In practice, it represents how fair treatment is ultimately facilitated in these environments.

Everyone can agree that, from the Industrial Age to the Digital Age, one of management's primary goals has been to accomplish organizational objectives through employee motivation. Going back more than ninety years, Henry Ford recognized this business truth in 1914 when he paid employees \$5 a day, which at the time was approximately twice the salary other manufacturers were paying. How did this affect Ford's employees? Ford Motor Company

Over 90 percent of gay executives reported that justice and equity is always a basic rule of their approach to leadership.

became one of the giants of the Industrial Age due in large part to the commitment of its employees during that era. Ford also recognized that by paying his employees more money, he made it possible for them to afford the very products they manufactured, which further contributed to motivation and engagement issues. Basically, it facilitated pride of workmanship because they were consumers as well as producers.¹

While salary is certainly a prime source of worker motivation, the reconstruction of contemporary employees has created a new context for this issue. Today, empowered employees primarily view fair and equitable salaries foremost as a demonstration of respect and value rather than as the dollars and cents they need for survival. In this context, the issue of salary is less about purchasing power and more about how it meets the emotional needs of empowered employees. Indeed, according to a 2005 Hudson survey of ten thousand U.S. workers, when asked what job-related factors were most likely to cause them to look for a new job, salary dollars took a deferential backseat to career development and the quality of the manager-employee relationship—both prominent elements of G Quotient leadership.²

Without motivation among its people, an organization's struggle to be forward moving often deteriorates into a workplace tug-of-war between managers and employees that wastes everyone's time. Particularly when it comes to job engagement, empowered employees cannot be *ordered* into action effectively. Managers who try to dictate employee engagement in the recalibrated workplace simply succeed in galvanizing their workforce in opposition to whatever they say or do. On one end of the rope you'll see managers flexing their chain-of-command muscles in an attempt to pull employees into action. On the other end, employees dig in their heels as they try to pull management to the ground.

In contrast, tug-of-war matches rarely take place in G Quotient environments because the principle of inclusion overshadows most types of disagreements that arise out of hierarchal separation. But rather than blurring the demarcation line between managers and

employees, inclusion transforms “us against them” into a positive unification of both sides. In G Quotient environments, managers and employees are more likely to view each other as being on the same side, working together in a collective effort toward shared organizational goals.

David McClelland (1917–1998), widely recognized in both academic and business circles as the foremost authority in achievement-based motivation, described three types of motivational needs found in the majority of all employees and managers. McClelland, after earning his doctorate in psychology at Yale, pioneered the concept of *workplace motivational thinking* as a professor and researcher at Wesleyan, Harvard, and Boston University. Focusing on personality and consciousness, McClelland asserted that most people display some combination of the following three types of workplace motivation:³

- *Achievement motivation*: People motivated by achievement are characterized by an individual need to succeed. They seek to advance in their organizational role while attaining realistic yet challenging goals.
- *Authority and power motivation*: People motivated by power and authority have a need to be influential and effective, making a strong impact on their respective organizations as they seek to increase their own personal status and prestige.
- *Affiliation motivation*: People motivated by the need for friendly and collegial interaction with others also have the desire to be liked. They are typically team players in the workplace.

I found that the majority of gay executives identified in my research are motivated by all three of McClelland’s identified types, in varying degrees, accompanied with the belief that each is socially and morally acceptable. In this sense, whether motivation is derived from the need to achieve, the desire for authority and power, or the need to be liked, it is widely viewed by these gay executives as respectable.

Whether or not the integration of all three of McClelland's motivational types into one group of individuals can be considered statistically remarkable is an arguable point. However, what is remarkable is that there's a definite mirroring of how employees in these same settings define their own workplace motivation. That is, G Quotient leadership creates environments that encourage employees to find motivation through these same influences. When the collective environment shares similar definitions of their professional needs and wants, the organization or working unit becomes more integrated, focused, and productive.

Motivating Through Inclusion:

Greg Morley

Director, Disney

As HR director for Hong Kong Disneyland and a member of the Hong Kong Disneyland Taskforce, Greg Morley is an international leader at Disney. Beginning his career with the company in 1995 at Epcot in Orlando, Florida, he quickly began his ascent through the ranks in the entertainment giant.

After repeated promotions in Orlando, which took him from Epcot at Walt Disney World to Disney Cruise Line, Greg was offered the position of director of recruitment at Disneyland in Southern California, during its transformation into Disneyland Resort in 2000. In one of the company's most visible HR positions, he had the responsibility of hiring more than nine thousand employees during the expansion process. The following year he was asked to lead Disney University at Disneyland Resort Paris, a resounding testament to his success. After two subsequent promotions in Paris, where he ultimately led organizational change efforts during a time of significant transformation, Greg was recruited to Hong Kong, where Disney was preparing to open its newest theme park, Hong Kong Disneyland. Greg came on board before the park's grand opening, and he was able to call on his earlier success in Southern California, building a human resources team to support five thousand new cast

members at Hong Kong Disneyland. Throughout each of these roles and across many different continents, his belief in inclusion has been a centerpiece of his leadership.

On the day of our scheduled interview, Greg e-mailed me from the train on his morning commute. It was already the next day in Hong Kong, and I felt like I was getting a jump-start on my own next workday. One of the first topics we discussed was something Greg has become an expert at in three very disparate cultures—how to

hire and motivate thousands of employees in a very short time. To get everyone on the same page and moving toward the same organizational goals, Greg believes, the leadership principle of inclusion must be the basis for hiring, assembling, and motivating workplace teams. Going from the United States to Paris to Hong Kong has, he says, required him “to focus on employee needs in many different cultural settings.”

Even in the United States, there’s a vast difference in sociocultural dynamics between Orlando and Southern California. When I asked Greg how these geographical differences have influenced his approach to leadership, he replied, “Eighty percent of the time it’s the same. It’s about taking time with people.” Acting on this commitment rather than just talking about it, he makes it a point to schedule time with his staff on a regular basis. But instead of setting agendas as he does in team meetings, Greg makes sure that the individual time he spends with his employees is all about them. “It’s not my hour, it’s theirs,” he told me. “Taking time to focus on what’s going on in their professional realm and what matters to *them* is one

Team dynamics driven by culture and context may be different in France versus China or even between the U.S. East and West Coast. Fundamentally, human beings want to be appreciated, valued, and have the opportunity to learn. One of the reasons I believe I’ve been successful across several different cultures is because I’m able to appreciate human differences as valuable.

—Greg Morley

of the greatest equalizers between managers and employees. First of all it prevents isolation on both sides. Second, it demonstrates my commitment to their well-being.”

Having now lived in several different countries, Greg told me, he has an even greater appreciation for inclusion as a leadership principle than ever before. For example, he said, “No matter how well I may learn to speak French, I’ll never be French. It’s impossible for me to view the world in the same way as people born into the French culture, but it’s necessary for me to appreciate the differences associated with that experience in order to be successful in that environment.” Hong Kong has given him an even greater perspective. In Paris, Greg noted, if he was just walking down the street, people might assume he was French. However, as a Caucasian, he will never be mistaken for Chinese while living and working in Hong Kong. It’s exactly these types of personal experiences that he says have contributed to developing an even greater appreciation for human difference.

Recognizing the role his own identity plays in thriving as the perennial outsider, he continued, “I believe it’s this same perspective, of not being the *same*, that’s helped me develop and fine-tune my leadership skills that otherwise might have remained dormant. Perhaps out of necessity I’ve enhanced my success—no matter where in the world I find myself—because I’ve been blessed with the ability

I always seem to be coming into new environments as the *outsider*. That means I have to find effective ways to establish my own identity in order to be successful as a manager. Without question, being gay has contributed to my belief that all people are important; it’s just part of who I am. For a manager, being able to focus on employees so they feel appreciated and valued shows that you’re *interested*. I firmly believe this is my key to success. Of course, I’m also aided by an organization that allows me to lead to the best of my ability, which makes my commitment even stronger.

—Greg Morley

to see through the chaos and visualize a high-performing team where everyone is included and has an equal chance to succeed.”

How Inclusion Affects Professional Relationships

When some people hear the word *relationships* applied to the workplace, they immediately start to think, “Oh great, now we’re going to hear how we all need to get warm and fuzzy with the people we work with.” A former colleague of mine calls it “Kumbaya time.”

But that’s mixing apples and oranges. While most of the basic dynamics apply to both personal and professional relationships, the manager-employee relationship centers on work. How is that different? In personal contexts, we need to know what a relationship is all about if we are to successfully function in the parameters of that friendship, romance, or committed partnership. We also need to know how our contribution to that relationship makes a difference to the other person. In the workplace, these dynamics simply take on a new agenda. The major difference is that, rather than both parties’ sharing in the responsibility of providing each other with this type of information as in personal relationships, in organizations it’s the sole responsibility of managers to provide their employees with answers to the following questions:

- What is the organization committed to and how do I fit in?
- How do these commitments apply to the daily processes of my work?
- Is my work making a difference?

It’s interesting to note that these are also the same questions I hear from employees in other types of environments where management has little if any quality contact with their staff. What this suggests is that there is an across-the-board hunger among empowered employees for inclusion. To feel included, employees need these questions answered not just when they are hired or during annual reviews but on a continual basis. They need the answers if

they are to experience the type of organizational relevance that leads to greater job engagement.

A 2005 study by the global consulting firm of BlessingWhite measured employees' attitudes and engagement levels, and found that only one-fifth of the nearly one thousand respondents surveyed believed their daily work was aligned with their manager's priorities and strategies. Only 21 percent of employees felt that they had "all the pieces in the engagement puzzle in place." Christopher Rice, BlessingWhite's CEO, said of the results, "If they're not engaged, employees are likely to be spinning, settling, or splitting."⁴ The major finding of this study reveals that strong manager-employee relationships are linked to greater engagement among employees.⁵ Without providing ongoing information to employees centered on these three questions, leaders are excluding their employees from the organization. Quite simply, when employees don't have the right answers, they aren't getting what they need from the manager-employee relationship.

Inviting Employee Engagement:

Steve Sears

Vice President, PepsiCo

Steve Sears is vice president of marketing for PepsiCo. He was hired out of the MBA program at Northwestern and has progressed upward to his current leadership role, where he's responsible for the marketing of the Pepsi trademark, in the course of an eighteen-year career at the company.

Ranked sixty-first on the Fortune 500 list, PepsiCo was one of the country's few large corporations to earn a perfect score on the Human Rights Campaign's corporate equality index (CEI). The CEI, a measurement tool calculating how inclusive Fortune 500 companies are toward their gay, lesbian, bisexual, and transgender employees, has become the industry standard for measuring GLBT equality. In the context of G Quotient leadership, it's relevant to note that all the Fortune 500 companies employing gay executives

interviewed in this book scored a perfect or near-perfect score on the CEI. For those companies not scoring a perfect 100 percent, the primary reason was the lack of inclusion for transgender employees rather than gay employees. Therefore, based on the parameters of my research, even the companies that fell short of perfect scores provided environments that on paper supported the professional development of gay employees.

The conviction that it's possible to use *inclusion* as a primary means to promote employee engagement is a belief that Steve shares with other G Quotient leaders. This belief contributes to the reasons why eight out of ten employees in G Quotient environments report that their managers regularly advocate for their best professional interests. From a leadership perspective, it's about the belief that individual success leads to organizational success.

In my research I found that gay executives believe that it's critical to the success of their organizations to provide an internal reality where inclusion is embraced as a positive driver of the workplace environment. On this subject, Steve told me, he's extremely sensitive to the need for modeling the type of inclusive behavior he wants to be the norm in his organization. "It really boils down to treating people the way you want them to treat you, which is simply to be *included*. I think gay people in particular know what it's like—even going back to childhood—not to be part of 'the group.' I have no doubt that's why I've made it a prior-

Relationships drive career success. As a manager, developing professional relationships with your employees—always based on mutual respect—drives *organizational* success. Getting results together is more important than just focusing on the raw results. There's a balance that needs to be struck between the process of work and the final product, which requires creating an environment that *invites* people to engage in their jobs. Of course, that invitation must apply to all employees.

—Steve Sears

ity in my own approach to leadership to learn about my employees as individuals.”

Steve and I discussed how building relationships based on inclusion at work, particularly with employees, requires managers to believe in their own value as well as being authentic. On this subject, Steve shared his thoughts about what he believes is an “immense commitment to integrity and authenticity” that comes from being out and having gone through that process. He said, “It gives you the insight and security to use inclusion as a means of inviting employee motivation.” This belief also speaks to the reason that so many employees with gay managers believe their bosses have their best professional interests at heart. It’s about the belief that individual as well as organizational success results from the value of one’s own personal identity.

Mark Twain once said, “Do not offer a compliment and ask for a favor at the same time. A compliment that is charged for is not valuable.”⁶ It’s this exact type of message that Steve addresses when he talks about how professional relationships based on mutual respect drive organizational success. “At some point,” he said, “managers are going to need that extra effort or extra commitment from their employees to get the job done.” When you’ve consistently treated people fairly using respect and value as a catalyst, you’ll find you have more than enough goodwill capital in the bank to meet whatever challenge may arise. According to Steve, “Inclusion creates a type of motivation that can’t be ordered or forced—and when employee motivation is sincere, the commitment to superior performance is unparalleled.”

Inclusion and Value

Hearing from people who have read something you’ve written, particularly when they’ve found it useful or enlightening, is truly rewarding. Because my work is about careers and leadership, sometimes people will write and ask for advice, sometimes they just need to sound off about whatever employment-related challenge they’re

dealing with at the moment. My career advice column on Walter Schubert's popular Gay Financial Network (www.gfn.com) came about because of the direct e-mail I received after writing several guest columns for the site. Hearing from so many different types of people is like having a special set of binoculars, because you get the chance to see beyond your own world into environments you would otherwise never get to know. One in particular stands out that I believe is exceptionally relevant to the principle of inclusion.

In late 2003, sitting in my office at USC, I received an e-mail note with a subject heading that read, "Gay Soldier/Iraq." My first thought was that it was some kind of promotion for a news item, but what I found was a very eloquent yet concise letter from an anonymous U.S. soldier deployed to Iraq. He said that he'd read an article online which quoted me on the subject of workplace equality, and how opportunities for gays and lesbians to be out and successful were improving every day. While appreciating the message, he wrote, "It has no real meaning to me in my current job."

We proceeded to exchange several rounds of e-mail over a relatively short time. Like many of the people who have written me, he needed an outlet to talk about his "job"—the difference being that his job involved life and death on a daily basis. To this day, I still don't know his name or much detail about what his life had been like before going to Iraq. He always e-mailed me from a Web-based account that was clearly separate from the one issued by the government. Primarily he talked about how it felt to be expected to put his life on the line every day for an employer that didn't value him enough as a human being to let him be who he is in the world. One message in particular was exceptionally profound, and speaks volumes about the impact of inclusion. He wrote, "Even though the people I work with think I'm part of their group, I'm not. You can't really be part of a group when you know you won't be treated with respect should you let them see the real you. That's why the respect they show me doesn't count. It's not real because they won't let me be real."

My decision to share this story in print isn't to debate the "don't ask don't tell" policy of the U.S. military. It's simply to illustrate how cut-off people feel from their employer and their coworkers when inclusion isn't the first principle of business leadership. Frankly, it doesn't matter whether you're employed by the U.S. military or a shoe factory. In the recalibrated world of work, *inclusion* is what drives successful leadership—and, as a result, successful organizations.

When the e-mail stopped, I wrote two more times with just a brief message of encouragement. I wanted him to know that someone with whom he had shared the "real him" hoped he remained safe and in one piece. I've never heard back, and of course I've always wondered whether he was injured, killed, or—in the best-case scenario—simply returned home. The other possibility is that he's just too afraid to send any more e-mail. When your employer doesn't respect or value you to the extent that your opportunities to succeed are based on your talents and skills as opposed to who you are as a human being, true meritocracy can never exist.

