

Creating a Gender-Neutral Environment in the Hospitality Industry through Growth and Understanding

Summary

This case study presents three scenarios in regards to discrimination, work policies, and support for transgender individuals. The scenarios look into what is the appropriate response or actions that should be taken when management, fellow employees, or other customers show discrimination or disrespect towards transgender people. The goal of this case study is to generate discussion around HR policies and management practices in regards to transgender employees and customers. Through each story provided, students will be able to discuss internal and external practices surrounding employee relations and morale, employee bias, and customer relations. The focus is placed on how both employee and manager actions are handling this current, hot button topic in the workplace.

Learning Outcomes and Target Audience

The case study presents three different industry-based stories based around transgender employees in the workplace and highlights issues of workplace discrimination and equality. In addition to the legal relationships and implications, other human resource related areas include employee motivation and job satisfaction. Upon completion, the students should have gained a complete understanding of transgender individuals, customers, and employees, along with how managers and other employees need to create a culture of non-discrimination and equality for all everyone, including LGBT customers and employees. The case study and stories may be used in any hospitality or other related business courses (or in a corporate training and development session) focusing on the topics of human resources, employee relations, management, and law. Additionally, the case may be easily used and adapted for undergraduate or graduate students, as well as with employee training and development programs.

Objectives

- Understand the unique aspects of transgender employees to be able to manage with respect and dignity toward the employee and to provide a comfortable environment for all employees.
- Understand unique aspects of customers in a modern world and how managerial decisions may affect an individual or group.
- Compare known human resources practices to determine responsibility of the company and of the employee in the presented situations.
- Discuss advantages and disadvantages in regards to having or establishing corporate policies for transgender employees and/or transgender customers.
- Evaluate how core principals can relate financially to an organization in regards to the value companies place on client concerns versus employee/coworker concerns.

Questions Related to the Case Study

Story 1: Not So Friendly Employees in the Cubes; Workplace Harassment and Motivation Issues

- 1a. Did Sally handle this situation appropriately? If not, how could she have done better?
- 1b. As an equal opportunity employer, should the Traveling Perfection Call Center allow Juliet to use the women's restroom? Could other accommodations have been made for Juliet?
- 1c. How might these issues impact Traveling Perfection in the future? What might be the implications from how the complaints were handled?
- 1d. Even though Juliet decided not to have a meeting with her peers about her transition, should Juliet's managers or HR have informed employees? If yes, how could they have organized and explained the situation?

Story 2: The Incident with Public Facility Usage at Lou's Restaurant

- 2a. If a transgender man or woman goes out to eat, which restrooms are they allowed to use? Which are they required to use?
- 2b. How do you believe Keith handled the situation?
- 2c. Should transgender men or women be punished for having to make a decision to go to the restrooms?
- 2d. How might Keith have affected repeat business based on how he handled the situation from Jody and Sarah's point of view? How might it have affected the repeat business of Fran and her daughters?
- 2e. Could Fran have used a different approach with the issue of Jody and Sarah using the restroom?
- 2f. Should all restaurants now have a unisex bathroom for public use?

Story 3: Hotel for Growth and Shame: Double the Problems, including Business Perceptions and Repercussions

- 3a. Was Terry's reaction to the Salvatore couple appropriate? Does he have a right to deny a client based on their sexuality if he feels that it will deter future customers?
- 3b. Was it appropriate for Kurt to turn down Elena and Giovanni's wedding event because they were not recurring business and

Elena was transgender? Should monetary value of a potential event be used as a determining factor in this case?

- 3c. With this additional information, would you have turned away Elena and Giovanni's business solely on the fact that Elena was transgender and that there was not a big possibility of recurring business?
- 3d. Was there any way for Kurt to salvage the business deal with Traveling Perfection Call Center after previous events were found out?
- 3e. If Kurt had reservations about Terry's opinions affecting business, should he have approached Jason (the general manager) about it?

Additional Discussion Questions:

- Discuss the differences between equality and equity. Do you believe transgender and/or minorities in general desire equality or equity? Why?
- Depending on the reactions to and presentation of transgender issues of a company's human resources staff, how might these contribute to the actions and/or reactions of the employees?
- Why do you believe several companies embrace diversity in the workplace? What are the advantages and disadvantages to this approach?
- Why are some countries throughout the world more willing to embrace and accept minorities in society while others do not? What is the social and economic impact to accepting and not accepting minorities within a society?
- In your given area (insert specific city/state), how could situations similar to the stories included in the case impact local hospitality businesses?

Other:

- As a manager, if you focus on creating a diverse work environment to 'benefit' everyone, could there still be employees left uncomfortable and/or disconnected? If so, how would you address these employees?
- If you are still faced with (an) angry customer/s, despite your diverse and inclusionary environment, are there any ways to educate your customers in an attempt to minimize some business loss?

Teaching approach and strategies

Prior to Class

Preplanning and set-up: Professor or facilitator should begin the conversation on general principles surrounding transgender individuals and transgender employees (15 minutes). Note: due to sensitivity of subject matter for some, the professor or facilitator should remind the class or group to be respectful when working on this project and for all class discussion. Students will read the case study prior to the next class. Additional terminology related to transgender individuals is included here for reference by the faculty member or trainer, if needed (see Table 2).

Class Instruction (following the preplanning)

Organize the class in groups of 3-4 students, in order to offer different perspectives while each individual has an opportunity to speak. Additionally, the groups will be sub split so that half of each group will work with story one and half will work with story two for part 1 (10 minutes).

Table 2

Transgender Terms Defined

Transgender Man	In reference to a transgender individual who identifies as a man. Also note FTM.
Transgender Woman	In reference to a transgender individual who identifies as a woman. Also note MTF.
FTM	An individual who chooses to transition from a female (birth assigned) -to-male (identity); known as a transgender man.
MTF	An individual who chooses to transition from a male (birth assigned) -to-female (identity); known as a transgender woman.
Transsexual	<i>Today, this is not a preferred term and often shows ignorance. However, this was an older term used to describe someone who's gender identity is different from their assigned gender.</i>
Genderqueer	Often used by individuals who do not identify entirely as male or female.
Sex Reassignment Surgery	Includes surgical procedures to alter one's body to reflect their gender identity. The term is all encompassing, multiple surgeries that may be chosen by an individual over time. It should be noted that not all people choose, based on want or need, to undertake surgical procedures as part of their individual transition.
<i>All terms were adapted from both the National Center for Transgender Equality (NCTE) and the Transgender Law Center (TLC).</i>	

Part 1 (story # 1 and story # 2):

- Groups will review assigned story (10 minutes) and then discuss their answers to the questions included with the story (15 minutes).
- Next, hold combined group discussion on compiled responses (15 minutes).

Part 2 (story # 3):

- Full groups (3-4 people) will review story # 3 (10 minutes) and then discuss their answers to the questions included with the story (15 minutes).
- Next, hold combined group discussion on compiled responses (15 minutes).
- Finally, a combined wrap up with the entire class should occur including all discussions above (5-10 minutes).

Alternative Option 1

This alternative option allows the classroom professor to spread out the use of the general information and stories across multiple classes (3 class option).

- Class 1: Complete all introductions of topic work included in preplanning and set up above (15-20 minutes).
- Class 2: Complete part 1, for both story one and story two (30-40 minutes).
- Class 3: Complete part 2, for story three. Provide wrap up and summary of learning (30-40 minutes).

Alternative Option 2

This alternative provides the classroom professor the option to choose any of the case study stories (story 1 or 2) to use independently of the others and the full case. These two stories can be used independently in an already existing lesson or to create a unique solo discussion opportunity for a small group of students.

- Select any one of the stories provided and insert it into an already existing lesson.
- After professor introduces the topic and premise of the case, students would be provided the story to read (5 minutes) and then discussion as a class could be conducted (15-20 minutes).

Further reflection and analysis with alternative option 1 or 2.

Students could be assigned a specific story in the case study (1 of 3) and along with or separate from the included questions, be asked to write a short (1-2 page) personal reflection on the story and its contents (presented issue; people involved; other hospitality situations).

Alternative Option 3: Individual Critical Thinking Exercise

This alternative provides the classroom professor the option to increase the students' critical thinking and analysis of the topics presented. Students will be asked to complete the following on their own after the completion of case study activities selected by the classroom

professor.

Directions to Students. You have been asked by the ownership group of your facility to develop a "Transgender: Disclosure Memo." Draft a policy that clearly outlines the company's commitment to treating all employees with respect and dignity through diversity and inclusion. Be sure to include the following sub-sections of the memo: purpose, definitions of terms (i.e., gender identity, gender expression, and transgender), names and pronouns for how employees should be addressed, restroom usage, and whom to contact with additional concerns and questions.

Additional Research Option (honors-option or graduate class)

This additional option, for undergraduates in an honors-option course or for continued work for graduate students, uses US-based companies (from the list and resources provided below) honored by an independent third-party as some of the most diverse and inclusive companies in the hospitality industry. Students will examine how current companies (in their field) are handling transgender in the workplace (or related situations of inclusion).

- First, assign student groups each with one company to research.
- Students will write up or present to the class the company's policy, why it may be positive or negative, and how it is impacting human resource practices.

Resources for this option. Multiple national and international companies are often recognized for their high acceptance and willingness to promote diversity throughout the company (Madera, 2013). Madera (2013) reported these top companies are highlighted based on their corporate diverse culture and programming, including: diversity council, training programs, same-sex benefits, and support for women and LGBT employees. According to the annual ranking of major corporations, in all operational categories (financial, insurance, hospitality, medical, consumer services, and manufacturing), based on their corporate culture and diversity by DiversityInc (2015) published its top 50 rankings each year. In the past year, there are five hospitality-related companies included on the DiversityInc, The DiversityINC Top 50 List for 2015, including:

- Sodexo (# 5 in 2015)
- Marriott International (#13 in 2015)
- Wyndham Worldwide (#29 in 2015)
- The Walt Disney Company (#34 in 2015)
- Hilton Worldwide (#47 in 2015)

For further information on the included companies, classroom professors or students can access either DiversityInc for a condensed company profile or research each company individually. The websites have been provided for easy reference below (see Table 3).

Table 3**Hospitality Companies listed in the 2015 Top 50 from DiversityInc.**

Company	Websites to access additional information:
DiversityInc's 2015 company list	http://www.diversityinc.com/the-diversityinc-top-50-companies-for-diversity-2015/
Sodexo	http://sodexousa.com/usen/corporate_responsibility/responsible_employer/diversity_inclusion/diversity_inclusion.aspx
Marriott International	http://www.marriott.com/diversity/diversity-and-inclusion.mi
Wyndham Worldwide	http://www.wyndhamworldwide.com/category/diversity-inclusion
The Walt Disney Company	http://disneycareers.com/en/working-here/culture-diversity/
Hilton Worldwide	http://news.hiltonworldwide.com/index.cfm/newsroom/category/topic/732

Analysis of Teaching Objectives

This case has been designed to provide the reader, undergraduate and graduate students or employees, with the unique opportunity to develop an understanding of transgender individuals, whether those individuals are employees or customers. Understanding begins for the reader by learning the appropriate terms and how to use the terms properly (NCTE, n. d.). Cadrain (2009) explained that employers with developed policies of inclusion and support can assist their transgender employees during the often difficult and vulnerable time of the transition and transformations from the biological sex to their sexual identity. The identified transition period may also be the most frequent (or easiest) time for discrimination to occur for the employee.

Human resource practices and legal requirements provide a foundation for the topic of transgender individuals as transgender employees in the workplace. Unfortunately reports and research show that while some changes have occurred, many issues of discrimination still remain for members of the LGBT community (Allison, 2015; Chung, Chang, & Rose, 2015). Questions presented along with the individual stories in the case allow the reader to focus on these challenges and how they may affect employees as well as customers in the workplace. Students should be able to identify the specific issues presented in the stories and create options to help an employer (in the story or their own) create an environment of inclusion, free from discrimination. Some ideas can be to develop training and development programs, to establish diversity committees, and to set up fair complaint processes (Bell, Ozbilgin, Beauregard, & Surgevil, 2011).

Some of the most challenging issues surrounding transgender employees and customers involves restroom facility usage (presented in Story #1 & 2). The State of California essentially set the standard for the United States federal government for transgender rights in the workplace. The California Department of Fair Employment & Housing (DFEH) published a "FAQ" for employers to help clarify restroom facility usage (DFEH Transgender Rights, 2016). Similar language found in the DFEH FAQ page was adopted by the US federal government to issue

restroom facility usage by transgender individuals. According to best practices recommended for employers by the Occupational Safety and Health Administration, employees should be permitted to use the restroom facility of their choosing based on their chosen gender identity (OSHA, 2015). OSHA (2015) also stated that it is the employer's responsibility to provide clean and safe restroom facilities for all employees, including transgender employees by respecting their gender identity.

Advantages from having a workplace free of discrimination can include stronger employee and customer relations, while disadvantages in having a discriminatory environment and culture can be detrimental for employees (low morale, lack of motivation, high turnover, and lawsuits) or for customers (loss of business and sales, poor reputation). Adequate training may be the key for companies to ensure they are providing a culture of sensitivity, free from discrimination (Tuttle, 2015). Creating a diverse and equitable workplace may not be easy, but the benefits for your employees and customers is both important and required with some aspects, though the legal environment continues to change every day.

Additional Reading Material

- Chang, W. A., & Huang, T. C. (2010). The impact of human resources capabilities on internal customer satisfaction and organizational effectiveness. *Total Quality Management*, 21(6), 633-648. doi:10.1080/14783363.2010.483075.
- Cunningham, G. B. (2015). Creating and sustaining workplace culture supportive of LGBT employees in college athletics. *Journal of Sports Management*, 29(4), 426-442. doi:10.1123/JSM.2014-0135.
- DFEH Transgender Rights (2016). Transgender rights in the workplace: FAQ for employers. The Department of Fair Employment & Housing. Retrieved from: <http://www.dfeh.ca.gov/res/docs/Publications/DFEH162TGR.pdf>.
- Dispenze, F., Watson, L. B., Chung, Y. B., & Brack, G. (2012). Experience of career-related discrimination for female-to-male transgender persons: A qualitative study. *The Career Development Quarterly*, 60, 65-81.
- Ellis, A. L. (1996). Sexual identity issues in the workplace. *Journal of Gay & Lesbian Social Services*, 4(4), 1-16. doi:10.1300/J041v04n04_01.
- Githens, R. P. (2012). Organizational change and social organizing strategies: Employee-initiated organization development. *Human Resources Development Quarterly*, 23(4), 487-518. doi:10.1002/hrdq.21148.

- National Center for Transgender Equality (NCTE) (n. d.). National transgender discrimination survey results. Retrieved from <http://www.transequality.org/issues/national-transgender-discrimination>.
- National Center for Transgender Equality (NCTE) (2014). Employment discrimination and transgender people: Employment know your rights. Retrieved from <http://www.transequality.org/know-your-rights/employment-general>.
- Ro, H., Choi, Y., & Olson, E. D. (2013). Service recovery evaluations: GLBT versus hetero customers. *International Journal of Hospitality Management*, 33, 366-375. doi:10.1016/j.ijhm.2012.10.007.
- Schilt, K., & Connell, C. (2007). Do workplace gender transitions make gender trouble? *Gender, Work, and Organization*, 14(6), 596-618.
- Schmidt, S. W., Githens, R. P., Rocco, T. S., & Kormanik, M. B. (2012). Lesbians, gays, bisexuals, and transgendered people and human resource development: An examination of the literature in adult education and human resource development. *Human Resource Development Review*, 11(3), 326-348. doi:10.1177/153448312447193.
- Transgender Law Center (TLC). (n. d.) Reports and publications: General information, employment, and reports. Retrieved from <http://transgender-lawcenter.org/pubs>.
- Van Rheenen, D. (2014). A skunk at the garden party: The Sochi Olympics, state-sponsored homophobia and prospects for human rights through mega sporting events. *Journal of Sport & Tourism*, 19(2), 127-144. doi: 10/1080/14775085.2014.949287.

References

- Allison, L. K. (2015). Have you included LGBT people in your diversity planning? *Business People*, 11, 68-69.
- Bell, M. P., Ozbilgin, M. F., Beaugard, T. A., & Surgevil, O. (2011). Voice, silence, and diversity in the 21st Century organizations: Strategies for inclusion of gay, lesbian, bisexual, and transgender employees. *Human Resources Management*, 50(1), 131-146. doi:10.1002/hrm.20401.
- Cadrain, D. (2009). Accommodating sex transformations: Transition plans can smooth the rough sports when gender identities change. *HR Magazine*, 54(10), 59-28.
- Chung, Y. B., Chang, T. K., & Rose, C. S. (2015). Managing and coping with sexual identity at work. *Psychologist*, 28(3), 212-215.
- DiversityInc. (2015) The DiversityInc top 50 companies for diversity. Retrieved from <http://www.diversityinc.com>.
- Madera, J. M. (2013). Best practices in diversity management in customer service organizations: An investigation of top companies cited by Diversity Inc. *Cornell Hospitality Quarterly*, 54(2), 124-135. doi:10.1177/1938965513475526.
- National Center for Transgender Equality (NCTE) (n. d.). Resources and terminology. Retrieved from <http://www.transequality.org/issues/resources/transgender-terminology>.
- Occupational Safety and Health Administration (OSHA) (2015). Best practice: a guide to restroom access for transgender workers. Retrieved from <https://www.osha.gov/newsrelease/trade-20150601.html>.
- Transgender Law Center (TLC). (n. d.) Employment resources and information. Retrieved from <http://transgenderlawcenter.org/>
- Tuttle, H. (2015). Developing a strategy for transgender employees. *Forefront in Risk Management*, 62(7), 4-7.

Authors note:

The authors wanted to provide some additional information on relevance and necessity of this case and the critical need for discussion to

occur on the subject matter, despite any perceived controversy. Note written on March 25, 2016 prior to submission.

Currently, the State of North Carolina is embattled in major (and ugly) controversy over the background that formulated this case. Though the case development began in the fall and was completed prior to the majority of the recent controversy, it showcases the relevance on a daily basis in recent days/weeks. On February 23, 2016, the Charlotte City Council voted and passed (7-4) a non-discrimination ordinance. Hagen (2016) reported this new ordinance, a first for North Carolina and many other areas, added protection to the city code covering marital status, familial status, sexual orientation, gender identity, and gender expression to the codes that regulate commercial establishments and public accommodations (including restrooms). The same evening, as reported by WCNC News (2016), Governor Pat McCrory of North Carolina, stated he would work with the state lawmakers to create immediate intervention.

In the news over the past month, lawmakers in South Dakota, Georgia, and North Carolina, among others, are wrestling with similar (controversial) decisions and legislation. On March 1st, South Dakota Governor Dennis Daugaard, vetoed a proposed bill that would force transgender students to use only facilities based on gender at birth (as reported by Wagner & Chappell, 2016). According to American Civil Liberties Union (2016), 18 states and the District of Columbia have laws that specifically prohibit discrimination against transgender people; including and in addition to approximately 200 cities and counties (many not covered in the 18 states) that have similar protections banning discrimination (ACLU, 2016).

Legislators in Georgia passed House Bill 757 (Religious Liberty bill), which now awaits the governor's signature; if approved it would give permission to individuals, businesses, and non-profits the right to discriminate against LGBT people and others by citing religious freedom (Sheinin & Torres, 2016). Bluestein (2016) reported that GA Governor Nathan Deal has 40 days to sign or veto the bill, which already has numerous companies calling for veto and threatening to cease GA operations, including Disney and Marvel (movie production), Time Warner, and even the National Football League (NFL) threatening; if passed, the bill could affect Atlanta's Super Bowl bid. On Wednesday, March 23rd in emergency sessions at the various levels of NC Government, HB-2 was passed, which was then signed by Governor McCrory, preventing cities from passing anti-discrimination ordinances to protect LGBT people (Reilly, 2016). Reilly (2016) reported that companies across the US have denounced the law and some have threatened to end operations in the state, including Apple, Bayer, PayPal, Dow Chemical, the NBA, the NCAA and American Airlines and Wells Fargo among Charlotte-based companies. Unfortunately, time will tell on how this will play out across the states of North Carolina and Georgia and throughout the United States. In the meantime,

we feel the conversation needs to begin in hospitality management classrooms for the benefit and understanding of the topic, by all future hospitality industry managers.

- American Civil Liberties Union (ACLU). (2016). Know your rights: Transgender people and the law. Retrieved from <https://www.aclu.org/know-your-rights/transgender-people-and-law> Bluestein, G. (2016, March 25). Nathan Deal's vexing decision: Will he sign Georgia's 'religious liberty' bill? Atlanta Journal-Constitution. Retrieved from <http://politics.blog.ajc.com/2016/03/25/nathan-deals-vexing-decision-will-he-sign-the-religious-liberty-bill/>.
- Hagen, S. (2016, February 23). City council approves non-discrimination ordinance. WCNC News. Retrieved from <http://legacy.wcnc.com/story/news/politics/2016/02/22/city-council-votes-controversial-bathroom-bill/80783880/>.
- Reilly, M. (2016, March 24). Business are joining the fight against North Carolina's anti-LGBT law. The Huffington Post. Retrieved from http://www.huffingtonpost.com/entry/businesses-nc-anti-lgbt-law_us_56f42b8ee4b0c3ef52184903.
- Sheinin, a. G., & Torres, K. (2016, March 16). 'Religious liberty' bill passes Georgia Legislature. Atlanta Journal-Constitution. Retrieved from <http://www.ajc.com/news/news/state-regional-govt-politics/religious-liberty-bill-could-get-surprise-vote-wed/nqmK/>.
- Wagner, L., & Chappell, B. (2016, March 1). South Dakota Governor vetoes bill stipulating transgender students' bathroom use. The Two-way, Breaking News from NPR. Retrieved from <http://www.npr.org/sections/thetwo-way/2016/03/01/468732723/south-dakota-s-transgender-bathroom-bill-hits-deadline-for-governor>.
- WCNC News. (2016, February 22). McCrory warns of legislative action if non-discrimination ordinance passes. WCNC News. Retrieved from <http://legacy.wcnc.com/story/news/local/2016/02/22/mccrory-warns-legislative-action-if-non-discrimination-ordinance-passes/80727114/>.