**Shared Spaces and No-Go-Areas – Boundary Drawing by Lesbian and Gay Entrepreneurs**

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1. **Introduction**

Since the path breaking text on „Sex and Organizational Analysis“ by Burrell in 1984 research on sexuality and organizations „has been couched in terms of power, control and resistance“ (Fleming 2007, 239); however, mostly from a heterosexual perspective. Few studies have looked extensively at the situation of LGBTI (i.e. lesbian, gay, bisexual and transgender as well as intersexual[[1]](#footnote-1)) people in organizations (e.g. Barreto et al 2006, Gregory 2011, Köllen 2010, Hofmann/Steinbacher 2011, Roberts 2011, Waldo 1999, Wright 2011) and even fewer have explored the situation of LGBTI persons in entrepreneurship. The influences of non-heteronormative sexual orientation to entrepreneurship and vice versa of representations of the (male) heteronormative entrepreneur on gay, lesbian, bisexual and transgender as well as intersexual entrepreneurs have mainly been neglected in entrepreneurship research. Two texts, Schindehutte et al. (2005) and Galloway (2007), explore the relevance of sexual orientation for entrepreneurial ventures. In detail, these two texts on lesbian and gay entrepreneurs display the following facts (Schindehutte et al 2005, Galloway 2007):

* gay and lesbian entrepreneurs face different obstacles to heterosexual entrepreneurs;
* as far as customer and supplier opportunities and retention, acquisition and admission of licenses, marketing and advertisement, employee selection and retention, as well as acquiring bank loans are concerned, LGBT entrepreneurs face obstacles based on homophobia;
* harassment and discrimination at the former workplace do not represent push factors for the foundation of an enterprise by a LGBT person;
* sexual orientation and the LGBT community, as well as the location of the enterprise near to the LGBT community, only have marginal influence on the entrepreneurial success.

Different than heterosexual entrepreneurs, lesbian and gay entrepreneurs are confronted with inclusion and exclusion processes as well as with identity formation processes, which mainly take place at the margin of entrepreneurial acting or even in the closet. Often the gay and lesbian entrepreneurs try to hide their sexual orientation as they fear consequences for their entrepreneurial success. This brings the question of outing as lesbian or gay entrepreneur on the agenda of entrepreneurship research. The following questions need to be addressed in order to create a more inclusive entrepreneurship research and to provide evidence for more nuanced entrepreneurial representations and discussions:

* What influences lesbian and gay entrepreneurs’ choice for disclosure or non-disclosure?
* What coping strategies do homosexual entrepreneurs apply? What processes of disclosure/non-disclosure take place simultaneously depending on the context? How does he/she legitimize his/her behavior for him/herself in what context?
* Where and what are the given boundaries of the different social spaces for (non)outing and how can these be transferred/blurred?

Therefore, the aim of our paper is to explore the different coping strategies of lesbian and gay entrepreneurs in order to avoid harassment and discrimination as well as stigmatization and to be able to apply their full capacities and qualifications? We will present qualitative data from an explorative study on gay and lesbian entrepreneurs in Austria which has been conducted in 2011 (Bendl/Köllen/Steinbacher 2011) and embed our data in Maas’s (1999) strategies of stigma management.

In order to provide answers for the proposed research questions, we proceed from the approach of ‚doing entrepreneurship‘. To explore the practices of the studied entrepreneurs enables us to reveal different stigmatization processes to which lesbian and gay entrepreneurs are subjected to, to scrutinize the influencing factors on disclosure/non-disclosure processes and to analyze the coping strategies applied. As we consider our paper as explorative, we will not end up with final answers to disclosure/non-disclosure and coping strategies for lesbian and gay persons. Instead, we contribute to defer the ‚spiral of silence‘ (Bowen/Blackman 2003) surrounding the experiences and voices of sexual minorities in entrepreneurship and entrepreneurship research.

Our paper is organized as follows: Firstly, we present our theoretical framework by referring to Goffman’s (1963) theory of stigma and spoiled identity and Major & Ecclestone’s (2005) coping strategies of stigmatized groups. Then, we focus on the methodological and methodical aspects of our paper. Next, we present and discuss our research results. Finally, we end our paper with a conclusion pointing to limitations of our study and future research.

1. **Stigma and Stigmatization processes**

As literature on LGBTI employees shows, they are confronted with marked identities (Koellen 2010, Roberts 2011). Whereas heterosexual employees have unmarked identities, which are perceived as generic and are typically ignored as irrelevant to whom one is, marked identities (e.g. gay, woman, immigrant, black) are attributes that are socially salient and perceived as highly relevant. Identities which are socially marked receive far more attention by others as coherent social categories than unmarked identities (Roberts 2011, 670). This also goes for lesbian and gay entrepreneurs (see Schindehutte et al. 2005 and Galloway 2007) as doing entrepreneurship as gay or lesbian may not fulfill the norm of heteronormative entrepreneurship. As the vast literature on discrimination demonstrates (e.g. Hormel/Scherr 2010, Maier 2010, Petersen/Six 2008, Badgett/Frank 2007), being different leads to processes of discrimination, devaluation or even stigmatization. Goffman (1963, 3) describes stigma as an attribute that discredits an individual, reducing him or her from a whole and usual person to a tainted, discounted one. A substantial body of research points to negative consequences accruing to a stigmatized individual (Clair et al. 2005, Cottrell and Neuberg 2005, Crocker et al. 1991, Beals et al. 2009, Goff et al. 2008, Halperin et al. 2007), so many people try to avoid being stigmatized. Gender, race or certain disabilities represent marked social categories but unlike race, gender, or certain disabilities, sexual orientation can be an invisible social identity. The invisibility allows an individual to control the likelihood of being stigmatized by his or her choice to disclose what would otherwise remain hidden. Major and O’Brian (2005) identify four mechanisms of stigmatization: (1) negative treatment and discrimination, (2) expectancy confirmation processes, (3) automatic stereotype activation and (4) identity threat processes. Further, they classify negative treatment and discrimination as acts that directly affect the social status, psychological well-being and physical health of the stigmatized individual. In our paper we are interested in with what forms of stigmatization the LGBT entrepreneurs are confronted and how this affects their decision of disclosure/non-disclosure in entrepreneurial contexts. Specifically, we are concerned with exploring the influencing factors to disclosure/non-disclosure, examining the experiences of and the associated consequences for those who chose to disclose their sexual orientation and those who decided against it. Furthermore it is also of interest what coping strategies do they apply to manage their spoiled identity (see Goffmann 1963). Major & Ecclestone (2005) present five coping strategies of stigmatized persons/groups in order to overcome damage of their self-concepts:

1. to increase one’s attraction as partner for social exchange by distancing oneself from the stigmatized group e.g. by concealment of the sexual orientation;
2. to avoid social stigmatized contacts or situations which may lead to rejection and exclusion;
3. to decrease personal engagement by distancing oneself from the expectations and targets of the stigmatizing contexts (e.g. employees who are discriminated against at the workplace based on their sexual orientation lose their interest in their work and withdraw from their duties as employee);
4. to engage in alternative relationships which provide appreciation and acknowledgement as well as high identification with their own group (e.g. lesbian and gay circles of friends „I’m a lesbian and I’m proud“);
5. to attribute externally e.g. stigmatized persons protect their self-esteem by attributing everyday devaluation and exclusion not to their person but to stereotypes and prejudices towards their group.

Next, based on these notions of stigmatization and coping strategies, we examine our qualitative material. However, before we will present our methodological basis of this examination.

1. **Methodology**

The qualitative empirical findings discussed in this paper are part of a wider study on LGBT entrepreneurship in the Austrian context. The project was based on triangulation (quantitative questionnaire and the qualitative semi-structured interviews) which helped to give an in-depth understanding of the inclusion/exclusion and stigmatization processes with which lesbian and gay entrepreneurs have to deal with. Participants for the findings discussed below were identified as male and lesbian entrepreneurs who participated in quantitative survey on LGBT entrepreneurship in Vienna in 2011 and volunteered to give a qualitative interview. Between June and September 2011 20 interviews based on an interview guideline were conducted which provided additional information to the quantitative survey on the role of lesbian and gay entrepreneurs and the relevance of homosexuality in the founding and management processes of entrepreneurial ventures. The semi-structured qualitative interviews generated complexities of the interviewees’ contexts which led to richer data and a better capture of the individual nuances (Ritchie 2008) of lesbian and gay entrepreneurs’ experiences which would have been lacking had only been a quantitative approach been adopted (Roberts 2011, 671). The personal stories play an important role in understanding how entrepreneurial contexts define stigmatization processes and the handling of it.

The sample looks as follows: 10 lesbian and 10 gay entrepreneurs were interviewed who had 1-20 employees, they were entrepreneurs for 6 month up to 30 years, the youngest entrepreneur was 29 and the oldest 57 years, more than half of the interviewees has a university degree and they are working in the following sectors: Consulting and counseling, tourism, information technology, real estate, car and electronic retail, electronic wholesale, car repair and chimney sweeping. In fact, all entrepreneurs are white and two have migration background. To ensure anonymity and confidentiality all interviewees’ names are changed and pseudonyms are used for the data presentation. All interviews were recorded and transcribed in full and analysis was carried out by following Lamnek’s (2005) qualitative social research. The program ATLAS ti was used to support the analysis of data.

1. **Research Results**

The presentation of the data found in the interview material is structured as follows. Firstly, we present the factors which prevented the interviewees from disclosing their sexual identity. Secondly, we introduce the factors which support the entrepreneur’s disclosure and how the use them for supporting business success. Relevant coping strategies of the lesbian and gay entrepreneurs will also be presented. Finally, two vignettes serve as examples how the disclosure of an LGBT identity depends on the context and show how this contextual (non)disclosure transfers/blurs social boarders.

* **Influencing factors for non-disclosure and coping strategies**

According to our interviewees, experienced discrimination, harassment and devaluation in former workplaces, families and friendships influence the decision-making process of homosexual entrepreneurs of being (fully) visible or not. In fact, our gay and lesbian entrepreneurs describe the experience of lavender-ceiling which made it impossible for them to get to higher positions in their former workplaces. Lesbian entrepreneurs even indicate difficulties to find a “place” as employee, because of “feeling different”.

In fact, in order to overcome their stigmatization, some of the interviewees decided to start a business of their own and to become an entrepreneur – with or without employees. The entrepreneurs, however, anticipate discrimination and negative consequences on an economic level if they reveal their sexual orientation (e.g. losing clients, difficulties to get a business loan, influences on the entrepreneur-buyer/client relationship). Therefore, they do not talk about their private lives and living situations and do act strictly professional.

Another important factor for the entrepreneurs for displaying their sexual orientation is the *business sector*. According to interviewees, being openly gay or lesbian is more difficult in male-dominated sectors and conservative spheres (e.g. the banking sector or religious institutions) as well as in child-dominated sectors (e.g. kindergarten, schools). They assume that difficulties could be caused by homophobic parents in educational areas. In the field of medical care the interviews see e.g. body-contact with patients is a necessary condition of the job as prohibiting factor for revealing one’s homosexual identity. The interviewees anticipate negative consequences if the patients are informed about their sexual orientation. Altogether, especially in the sectors mentioned, the fear of homophobic aggressions and negative business consequences influences the entrepreneurs’ decisions to stay closed as well as to ask life partners not to reveal their sexual orientation too.

Gay and lesbian entrepreneurs with migration background referred to additional obstacles: A lesbian described her difficulties in living openly as lesbian entrepreneur because of her Arabian roots and the increasing racism and stereotypes on Muslims since 9/11. Her coping strategies are partial outing (e.g. in areas where she feels secure in business) as well as to distinguish different public spheres (e.g. not to act as a role model in public discussions). A male entrepreneur with parents from South Europe stated not to have difficulties in acting officially as gay entrepreneur in his business (journalism and training). Within the family it is more difficult for him to live openly his sexual orientation because some family members are not used to talk about homosexuality. He described that the family knows about his being gay as his friend accompanies him sometimes, but his family does not talk with him about it.

The interviews also revealed that lesbian and gay entrepreneurs with business contacts in countries with less understanding for homosexuals and no antidiscrimination laws are advised to hide their sexual orientation. As heterosexuality is presented as the unmarked norm in these countries and people talk more about family and private issues than in Austria, some interviewees describe it as more difficult to disclose their sexual orientation in these countries. In fact, some interviewees choose to “create” stories when they are asked: “Where is your wife/husband? Why do you not have children? Why are you not married?”.

Another fact, which prevents lesbian and gay entrepreneurs from revealing their sexual orientation in business life, is their relationship to partners and the partners’ social and business contexts. The entrepreneurs decide not to expose publicly their sexual orientation, if the partner works in a sector, where the information of being homosexual could trigger disadvantages.

One of the interviewees, who shares his business with business partners, described that he had to discuss to take over a function as a member of a LGBT network in the Chamber of Commerce with his business partners. As to engage in the LGBT network did imply to reveal his sexual orientation. The partners decided to support him.

Additionally, some gay and lesbian interviewees showed ambivalence on the question if sexual orientation represents a private or public notion. Those entrepreneurs, who considered sexual orientation as private, reduced homosexuality to sexual practices and did not see many reasons to direct attention to their sexual orientation in their entrepreneurial doing. By defining sexual orientation not only as public but also as political notion, some entrepreneurs combined their visibility with legal rights e.g. marriage and adoption. In general however, most of the interviewed entrepreneurs find it important that the “process of normalization of homosexuality” in society makes progress and that it requires different strategies to advance this process e.g. by enlarging legal rights, progressing with antidiscrimination laws and implementing diversity programs as well as strengthening academic research on homosexuality. No matter if the interviewees consider sexual orientation as a private, public and even political notion, effort, performance and expertise represent the basic requirements for them for being a successful entrepreneur.

Finally, queer-unfriendly surroundings prevent from outing too. Some entrepreneurs described business situations where jokes about homosexuals were made. According to the interviewees, it is important to read between the lines and to consider, if a client is homophobic or not.

To sum up, the interviews showed that a variety of positive and negative experiences/influences made the gay and lesbian entrepreneurs more sensitive for their clients’/costumers’ values. The interviewees also had to create different coping strategies for dealing with these information. In fact, it made them more sensible for the diversity of their costumer and clients as well as of their employees.

* **Factors for disclosure and using them as business (coping) strategies**

Contrary to the factors mentioned above, many interviewees pointed out, that dealing openly with their homosexuality has also positive consequences. It supports individual capabilities of value performance encompassing all personal resources and qualifications. Several entrepreneurs experienced acceptance and approval of their sexual orientation after their coming out. They even wondered why they have chosen to keep veiled their sexual orientation as employee in different workplaces for quite a long time (e.g. 10/ 20/ 25 years). As entrepreneurs, some interviewees experience more freedom to live their sexual orientation openly than as employee: firstly, because they do not have to fulfill organizational norms (e.g. 20 years closed as an employee – out as entrepreneur). Secondly, they can work with their own norms and values and, thus, they set up and contribute to a non-discriminative organizational culture in their firm.

Independent of the firm size, many interviewees stated that they do not accept discrimination or harassment amongst their employees as well as in their everyday entrepreneurial life. The interviewees described that they are sensitive their employees’ communication acts in order to prevent verbal abuse on the one hand and to sanction immediately abusing behavior on the other hand.

One interviewee lived for a long time in Berlin which represents a more gay-friendly city than Vienna. When he came back to Vienna he was not willing to conceal his sexual orientation again. Thus, he decided to become self-employed. He said that this allows him to deal with his sexual orientation in the way he wants to do it.

Those entrepreneurs, who live openly their sexual orientation, portrayed themselves as very self-confident. Entrepreneurs, who experienced positive reactions in their outing process seem to be more self confident and to fear less possible discrimination by customers and suppliers as well as employees The data also show that a flourishing business supports the self confidence of LGBT entrepreneurs for living openly their sexual orientation. The interviewees also called attention to the fact that long-lasting business contacts provide more freedom for unveiling their homosexual orientation. One interviewee even pointed out that he and his partner invited good business partners to their legal partnership celebration.

One gay entrepreneur decides contextually in which business context he can benefit from declaring his homosexuality e.g. if he has gay clients using his internet-service. He also experienced that some women feel better, if they know about his sexual orientation. As sexual attraction, which may disturbe the working relationship, is excluded then. Some entrepreneurs also reasoned that they often reveal their sexual orientation during a job interview in order to avoid problems with potentially homophobic prospective employees.

In contrast to the sectors mentioned before, according the interviewees, some business sectors, (e.g. training, coaching, counseling) require authenticity and, thus, disclosure of sexual orientation. In these cases the interviewees have decided to signal a non-discriminative understanding towards any kind of sexual orientation and to bring in their own experiences based on their sexual orientation in order to make it easier for their clients – and for themselves. The interviewed gay and lesbian trainers stated that they work with their theoretical knowledge and personal experiences, if the clients start to talk about sexual orientation. Those interviewees, who work in the field of diversity management (e.g. business consultancy), gay research and gay marketing, consider their sexual orientation even as advantage. They benefit from it by acquiring contracts with clients who value lesbian and gay sexual orientation as an additional expertise.

As some entrepreneurs stated, networking in different groups supports their visibility and contributes to the acknowledgement of homosexuals as important economic factor. Expected personal benefits often represent motives for networking (e.g. exchange about what it means to be a homosexual entrepreneur or how others deal with the ambivalence of disclosure or keeping the sexual orientation veiled). Some interviewees also shared the opinion that people with a shared stigmatized identification can discuss their marginalized social status in a LGBT network. The exchange of knowledge on their stigma management can be supportive for others. As it turned out, in order to strengthen their networks gay and lesbian entrepreneurs are more focusing on similarities than on differences e.g. how to deal with homophobic employees or what can someone expect from pink-marketing?

For the interviewed entrepreneurs networking is also important for establishing new business contacts and recommending each other but also for discussing issues which cannot be discussed elsewhere. Furthermore, being part of a LGBT entrepreneurial network represents also a political statement in order to improve the situation for other LGBT entrepreneurs. Aim of the network is the prevention of the individual of being reduced to a homosexual or a lesbian instead of being considered as entrepreneur with a homosexual orientation.

According to the interviewees, entrepreneurial interest groups or lobbying organizations should more focus on the reproduction of heterosexuality as unmarked norm, which discriminates homosexual entrepreneurs and keeps them on the margin. All interviewees pointed out that they want to be valued by their qualified work and products and not by their homosexuality. The more it is important for them to have the choice to opt for outing contextually because unveiling their sexual orientation is not only a question of sexuality but also a question of life quality.

Many of the interviewees not only suggested but also claimed that the Chamber of Commerce should play a more important role as role model and demonstrate a queer friendly position to its members and to society in order to make it easier for LGBT entrepreneurs to live openly their sexual orientation as part of their identity. The interviewees consider the use of all entrepreneurial capacities as advantage for the country in general. They call for setting up governmentally-supported goals and measures, which should focus on inclusive social processes for LGBT entrepreneurship. In this respect, political parties, nongovernmental organizations, and the government play an important role for the interviewees. Lesbian, gay and bisexual role models also support LGBT entrepreneurs in breaking taboos and demonstrating, e.g., that homosexual entrepreneurs are as valuable as heterosexual ones.

Finally, some lesbian and gay entrepreneurs use pink marketing strategies to enlarge their business success e.g. they advertise their products and services in “Queerbook” a magazine which markets queer friendly lesbian and gay businesses (from lawyers to flower shops and from electricians to psychotherapists). Other interviewees have a rainbow flag on their homepage to signalize queer friendliness. The interviewees interpreted their pink marketing also as a kind of disclosure. In fact, the open signalized relatedness to the LGBT community also represents an element for business success for some interviewees.

* **The coping strategy of “Partial Outing”**

After having presented influencing factors on (non-)outing, the following two vignettes demonstrate how one person can cope differently with his/her sexual orientation and lesbian/gay identity in different contexts. In fact, the two entrepreneurs have opted for a partial outing which they describe as follows:

**Case 1: John, Chimney sweeper, 42 years, entrepreneur since 1995, 5 employees**

John has different experiences with discriminating rhetoric: On the one hand people talk directly about his sexual orientation, find it funny and make jokes about it. His coping strategy in such cases is to say e.g. “yes I’m gay but not a pig!” On the other hand, discrimination is more subtle: For instance, when he was elected for a higher official position in the Chamber of Commerce people referred to the film *Brought Back Mountain,* which features a gay couple. One person made the following remark: “I don’t like gays, it is so disgusting”. In this case John decided to be as subtle as the assaulter. In John’s opinion, some heterosexual people are homophobic and consider being gay or lesbian as a weakness which can be directed against lesbian and gays. Sometimes his partner accompanies him to official dates of the Chamber of Commerce.

In John’s opinion the business sector is a relevant factor for outing. For him it makes a difference for disclosing the sexual orientation, if the entrepreneur is a hairdresser or a chimney sweeper. For him chimney sweeping represents a more male and heterosexual dominated and, thus, rougher context. He once lost customers because a colleague outed him as gay. In 16 years of his entrepreneurship he disclosed this sexual orientation only to a few costumers. His coping strategy is never to live with his partner in the same district where he has his office.

As employer, he told us, he already considers sexual orientation in the selection process of employees because staff and trainees of the training school for chimney sweepers know that he is gay. Once a trainee asked him, if it is true that they have to work with white gloves. That was one of the running jokes at the training school. John’s coping strategy is “to be fair and tell that I’m gay and if they have a problem with it, they should not start to work here”.

Every year John and his partner participate in the CSD (Christopher Street Day) – called Rainbow Parade in Austria. On the one hand, John resumes that he does not want to sit in a closet and wait until the world is a better one. On the other hand, he states that he does not carry “the rainbow flag for everyone visible”. He thinks that he can hide his sexual orientation – if he wants – because “I’m not feminine”.

**Case 2: Emma, Estate agent, 52 years, entrepreneur since 2007, no employees:**

Emma worked as an employee in different organizations for 28 years. As employee she veiled her sexual orientation for 26 years. For 4 years now she works self-employed as an estate agent disclosing her sexual orientation. As reason for her invisibility, Emma mentions to economic reasons. As she is responsible for making her living, she always feared to lose her job, if she unveils her sexual orientation. Economic reasons, however, did not prevent her from applying for a job in the Austrian Jewish Community where Homosexuality is discussed controversially (like in many other societal spheres). She got the job as a manager and worked in the Jewish Community for more than 10 years. After the Jewish Community, where she hid her sexual orientation, Emma worked as a manager in rescue-service with 95% male employees where she again decided to keep veiled her sexual orientation. For her it was not possible being visible as lesbian and she states “we experience double discrimination as women and lesbians”.

In her private sphere, friends know about her sexual orientation since she was 17. Her mother and six brothers are also informed about it but her father does not know that she is a lesbian. As he did not live with the family, Emma could hide successfully her sexual orientation. Nowadays, as estate manager in a franchise organization, Emma lives openly her sexual orientation. Her partner also accompanies her to company celebrations. Sometimes her colleagues ask her questions about lesbians and want to talk about homosexuality with her.

According to Emma, self-employment liberated her and enlarged her coping strategies and stigma management. “As entrepreneur, I do not have to fulfill company expectations and norms, it only depends on my abilities and efforts to be successful.” Emma also states that, apart from the feeling of freedom, the experience of “being an integrated/holistic personality” is a healing one.

Emma attends frequently the Rainbow Parade in Vienna. There she once met a heterosexual customer for whom she sold a house. He expressed his surprise – but then both found it funny to meet at a homosexual event. Emma also discovered that a colleague is a lesbian too: “that’s clear now I’m not the only one”. Emma acquires costumers through the advertisement of her business in the “Queerbook”. She also presents the rainbow flag on her website as an identification mark. Resulting from these marketing initiatives, the number of gay and lesbian costumers increased up to 20 percent. Emma’s regular sponsoring activities of homosexual events even became part of her marketing strategy. However, she also reflected deliberately about the question “How intense can I pursue pink marketing? What strategies are possible in order not to dismay heterosexuals?”.

1. **Discussion and Conclusion**

As the results of 20 qualitative interviews with gay and lesbian entrepreneurs show, homosexuality still represents a marked norm in Viennese entrepreneurial contexts. The interviews unveil the following obstacles for the non-disclosure of the sexual orientation: anticipated but also real economic disadvantages (e.g. loss of customers, difficulties in getting loans, negative influence on the customer/client relationship), sector, cultural settings and contexts (e.g. queer unfriendly contexts and homophobic jokes, migration background of entrepreneurs, business contacts to countries where homophobia is still a relevant societal factor or where antidiscrimination laws do not exist) and consideration of private relationships and business partners as well as the entrepreneurs’ approach to sexual orientation as private notion.

The major advantages of unveiling the sexual orientation read as follows: support of individual capabilities and use of all personal resources and qualifications for entrepreneurial activities, more freedom in general and healing effect as well as a higher quality of life, possibility to set up an inclusive organizational culture in one’s own firm, being more sensitive to customers/clients demands, long-lasting business relationships, a settled business, marketing advantages through working with gay and lesbian communities (“pink marketing”) and other gay and lesbian entrepreneurs, LGBT networking as well as serving as role model, doing political work as sexual orientation represents a political category. Another supporting factor is the fact that the entrepreneurs work in fields, e.g. diversity management, which per se engage with inclusion and exclusion processes.

In line with the research results of Schindehutte et al. (2005) and Galloway (2007), harassment and discrimination as employee did not push the interviewees to become an entrepreneur. However, often entrepreneurship is considered as providing much more freedom for displaying and working actively with sexual orientation than in an employee position. Contrary to Schindehutte et al. (2005), our data show that sexual orientation and the LGBT community have more than a marginal influence on the entrepreneurial success. Some of the entrepreneurs use actively the considerable potential of these target groups.

Mechanism of stigmatization (Major/O’Brian 2005) can also be found in our data as well. Some entrepreneurs anticipate discrimination, negative treatment and harassment which triggers the avoidance of certain settings and contexts. In terms of expectancy confirmation processes, some entrepreneurs choose to keep their sexual orientation veiled in certain sectors (e.g. school, kindergarten, healthcare). Furthermore our data also show that the concealment of sexual behavior may also have effects of identity threat processes, as some entrepreneurs consider their disclosure of sexual orientation as entrepreneur as an enlargement of possibilities and an increase in their quality of life. In order not to activate stereotypes automatically, one entrepreneur reflected considerably about the engagement in ‘pink marketing’ strategies.

The results also demonstrate different coping strategies of the gay and lesbian entrepreneurs (Major and Ecclestone, 2005). In fact, some of the entrepreneurs live openly their sexual orientation but some conceal it. Interesting in this context, however, is the fact that the entrepreneurs choose a “partial outing”. Their decision to unveil their sexual orientation depends on the context: One person may display her sexual orientation in one context, e.g. family, but unveil it in another context, e.g. entrepreneurial doing, or the other way round. The entrepreneurs decide to display their sexual orientation depending on the business context. So it may happen that the same entrepreneur unveils his/her sexual orientation in an educational context but keeps it veiled in costumer contexts. Furthermore, whereas the participation in LGBT networks may secure non-disclosure of sexual orientation, the attendance of the Rainbow Parade may also make their sexual orientation known to people whom they would not choose to unveil voluntarily their sexual orientation.

Altogether, not all of the five coping strategies of Major and Ecclestone’s (2005) are represented in the data. We found the distancing oneself from the stigmatized group, the avoidance of stigmatized contacts and the engagement in alternative relationships (LGBT community and networking) and external attribution. Our data, however, do not refer to a decrease in personal engagement. On the contrary, the interviewees state that they have more freedom than as employee.

Furthermore, even if these entrepreneurs face daily stigmatization and exclusion as member of a stigmatized group (Major and Ecclestone 2005; Crocker and Major 1989), our data contradict Goffman’s analysis indicating that being part of a stigmatized group leads inevitable to a negative self-concept and a spoiled identity. The interviewed entrepreneurs display a strong self-concept which lies partially in their business success, good working coping strategies as lesbian and gay and the fact that “partially outing” is working. It is not needed to be out in the business but it is possible to choose to be out in private contexts. “Partially outing” works as a strategy in the stigma management in order to minimize social costs. Having expertise on sexual orientation issues, performance and problem-solving competences support the positive self-esteem of the entrepreneurs and makes it possible to use it for business.

Finally the data demonstrate stigma management strategies which do refer to Maas’s seven strategies of lesbian and gays in general: the public demonstration of a heterosexual life (1), to conduct a life without attracting attention (2), to look for allies (3), to shine based on positive characteristics (4), to look for the right position, e.g. to choose self-employment (5), to stick by one’s sexual orientation and to make an offensive play (6). However, the data do not refer to the strategy of displaying the reason of stigmatization as normal (7). Beyond these stigma management strategies we found the following strategies: Firstly, the entrepreneurs do also include their concern about their private and business partners’ situation into their decision of (non)dis-closure. This may either lead to an official support of their partners or to the further veiling of their sexual orientation – depending on their partners’ context. Secondly, due to their particular position of belonging to a marked group of society and relevant experiences, the entrepreneurs are very attentive and receptive of their employers’ and costumers/clients’ needs. This also represents an advantage for entrepreneurial success. Thirdly, based on their experiences the entrepreneurs decide to work openly against discriminative structures and processes, e.g. they promote diversity-friendly organizational cultures in their own firms. Fourthly, the entrepreneurs use intentionally their knowledge about sexual orientation in order to avoid irritation or confusion on the costumers’/clients’ and employees’ side. Fifthly, the entrepreneurs use actively the support of their partners (private and business) in order to serve as role model for other gay and lesbian entrepreneurs.

These five additional strategies derived from our data point to the fact that on the one hand entrepreneurs act in different contexts than employees and, therefore, have to adapt their stigma management to their contexts. On the other hand these new strategies may also illustrate that stigma management becomes more differentiated, as anti-discrimination laws basically support LGBT-inclusive contexts and cultures and, thus, trigger more sophisticated stigma management strategies.

These empirical findings also have limitations: Firstly, the data based on 20 gay and lesbian entrepreneurs have to be considered as first explorative results. Secondly, as our search for gay and lesbian interviewees showed, we have reached only gay and lesbian entrepreneurs which are outspoken. This is supported by the fact, that one interviewee has an official position in the Chamber of Commerce and lives openly his sexual orientation in this context. The description of the interviewed entrepreneurs as outspoken is also supported by the fact that we had to take measures additional to the official ones taken by of the Chamber of Commerce in order to recruit interview participants (e.g. flyers in LGBT contexts and emails to special mailing lists). If we consider that the number of gay and lesbian entrepreneurs represents 5-10 % of the population (Galloway 2007), the number of gay and lesbian entrepreneurs may be 4.800 to 9.600 in Vienna. Therefore, this small number of interviewees is also indicative of the unwillingness of gay and lesbian entrepreneurs to out themselves.

As far as future research is concerned, a next step could be to reach more gay and lesbian entrepreneurs in order to go deeper into their stigma management strategies. Furthermore, a focus more on gay and lesbian entrepreneurial doing can unveil further specific strategies which could be of help for political parties, governmental and non-governmental organizations to set up more inclusive structure and processes. Finally, to examine the different cultural contexts of gay and lesbian entrepreneurial doing can shed light on dominant successful LGBT entrepreneurial strategies (class, culture, migration background etc.) which, however, do not serve all gay and lesbian entrepreneurs.

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1. In this paper we only refer to lesbian and gay entrepreneurs. [↑](#footnote-ref-1)