# Rational Selection among SOGIESC Minority Communities in the Indian Workplace: A Focused Study<sup>\*</sup>

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#### Abstract

As large-scale multi-national corporations increase their footprint in India, diverse stakeholders, who were otherwise excluded, have become active participants in the labour market. Thus, inclusivity has become indispensable to achieving workplace equity. Consequently, organizations should be keen to explore the creation of inclusive spaces for Sexual Orientation, Gender Identity and Expression, and Sex Characteristics (SOGIESC) diverse groups in corporate India. We use primary data to ascertain whether SOGIESC minorities are willing to accept lower wages in exchange for a more inclusive workplace. Using ordinal and linear regression models, we determine that belonging to SOGIESC minority groups corresponds to a higher likelihood of opting for salary cuts in favour of an inclusive organization. Moreover, workplace discrimination due to SOGIESC characteristics and work experience are other significant determinants for valuing inclusivity. We conclude that individuals from SOGIESC diverse communities self-select into organizations with shared values, creating inefficiencies in the labour market, and this needs to be addressed by appropriate policy measures.

Keywords: SOGIESC, inclusion, DEI, wages, self-selection, LGBTQIA

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## 1 Introduction

Diversity, equity and inclusion (DEI) represent three organizational values that endeavor to boost company performance by bringing together diverse thought processes and skillsets (through the incorporation of different groups of individuals). These diverse groups can flourish by fostering principles of equity and inclusion in the organization. McKinsey & Company (2022) note, "Companies that are diverse, equitable, and inclusive are better able to respond to challenges, win top talent, and meet the needs of different customer bases. With DEI in mind, companies are considering how to better support employees." Similarly, in the world of work, DEI practices have gradually picked up pace in the Indian corporate sphere. In this specific context, diversity works across different social institutions, namely gender, caste, religion and disability, and the Indian Constitution enshrines efforts to increase equity and inclusion. Meanwhile, the Supreme Court of India decriminalized homosexuality in the country only in 2018,<sup>1</sup> and while the process of demanding more rights has gained momentum since then,  $SOGIESC^2$  diverse communities continue to lag in education and employment outcomes. According to the 2011 Census, the literacy rate among transgender individuals was 46%, compared to 74% for the entire population. Similarly, only 19 transgender candidates appeared for their matriculation exams in 2020 out of 1.8 million students (Tulsyan, 2021). Data for other SOGIESC diverse identities remains elusive.<sup>3</sup> At the same time, while attempts have been made to ensure that inclusive education is available to transgender and gender non-conforming students, it has been met with stiff opposition in the country (Ramesh, 2021).

Caste identities have formed the primary basis for the study of discrimination in India. Deshpande, in the context of caste inclusion, writes, "Special measures to promote employment of specific disadvantaged groups can be adopted and should not be seen as

 $<sup>^1\</sup>mathrm{See}$  Misra, 2009 and Gupta, 2022 for the legal history of queer identities in India.

<sup>&</sup>lt;sup>2</sup>This paper uses the term 'SOGIESC minority/ diverse' instead of 'LGBTQIA+' since it is a more inclusive umbrella term (see Smith, 2023). Similarly, the term 'queer' is not used due to its legacy in political discourse (see Tellis, 2012; Kornak, 2015). One Twitter user asserts, "Queer is a politic. Not just a label. A politic. One of liberation, in fact. Of abolition" (Jaiden B [@JaidenHGB], 2023).

<sup>&</sup>lt;sup>3</sup>Das, 2023 examines how public data on these communities is shaped in India in order to invisibilise them. For the global state of SOGIESC minority labour statistics, see Gammarano, 2019.

discrimination" (2015, p. 7). She further notes how private sector hiring asserts the importance of merit, even though their views on merit overlap strongly with existing views and assumptions around caste, religion, and gender. Given that Indian workplaces can be hostile to individuals from any minority group, DEI strategies become even more important in ensuring the safety and inclusion of these marginalized individuals. Thus, a 2018 study by the National Human Rights Commission found that while 96% of trans-persons were denied jobs, 92% couldn't partake in any economic activity (Outlook, 2022). McKinsey & Company (2022) report that while DEI strategies improve decision-making and drive worker motivation and satisfaction, they have failed to do enough for SOGIESC minority employees. Moreover, DEI policies primarily target ciswomen for gender diversity, and most lack any nuance in terms of intersectionality (Chiu, 2022; Ramesh and Sabharwal, 2018).

A slew of company-specific employee surveys exist which support the need for inclusive spaces for SOGIESC diverse communities. Zellner and Bowdish (2019) find in a US Chamber of Commerce report that 80% of their respondents claimed inclusion was important for them, and that 72% would leave if such an environment was not provided. Similarly, Bailinson et al conclude that 40% of respondents in a global survey "rejected a job offer or decided not to pursue a position because they felt that the hiring company was not inclusive" (2020, p. 14). Meanwhile, Dupreelle et al. (2020) report that 40% of SOGIESC diverse employees from across the USA are closeted at work and 75% experienced negative day-to-day workplace interactions related to their identity. These employees are 40% less productive and 13 times more likely to quit. McKinsey & Company (2022) note, "Transgender employees face a unique set of challenges. They earn 32 percent less money than cisgender employees... More than half of transgender employees say they are not comfortable at work, and they report feeling less supported by managers."

This research study aims to explore whether members of SOGIESC minority communities would accept lower pay and work at a more inclusive company, or continue to work in hostile environments for a higher salary. In other words, this exploratory analysis attempts to quantify how important the inclusivity of SOGIESC minority communities in the workplace is to individuals from these communities. In employing such an approach, we turn the question away from employer-focused initiatives to the employees' perspectives and how they value proactive measures used by employers. Using a unique dataset collected for this research study, we use ordinal analyses and an interval regression model to determine that status as a SOGIESC minority community member has a positive correlation with taking a pay cut. This implies that inclusive spaces are more important for members of these communities than for non-members. Additionally, workplace discrimination, work experience, and education are other statistically significant determinants for valuing inclusivity. This results in inefficient allocation of labor, with impacts for both firms and employees, and necessitates policy changes to address this concern.

We determine that self-identification as a SOGIESC diverse individual increases the likelihood of opting for lower wages and a more inclusive workplace by 2.3 times. On the other hand, experiencing discrimination in the workplace on account of their SOGIESC identity leads to individuals opting for wage cuts with a higher probability of 2.8 times. While these results are expected, experience provides another interesting dimension: an extra year of work experience decreases the chance of accepting lower wages by 9%, and this might be due to higher opportunity costs and greater control in the organization. This paper contributes to the field by exploring a research area that has no data and limited literature available. Additionally, in the context of India, there is a paucity of empirical research on SOGIESC minority communities.<sup>4</sup> Thus, we attempt to bridge this gap by collecting our own data and contextualizing the labor market outcomes for SOGIESC minority communities in corporate India.

The remaining paper is organized as follows: Section 2 is a survey of relevant literature, drawing from various fields to contextualize the interaction of SOGIESC diverse identities in the labour market. Section 3 discusses the methodology, and section 4 provides a brief description of the novel dataset used. Section 5 discusses the results in detail, and section 6 concludes the paper.

<sup>&</sup>lt;sup>4</sup>Most research in queer studies in the Indian context is theoretical and draws from the fields of literature, history and film studies.

## 2 Literature Review

The extent of research on DEI is along a binary axis of labor-based consumer identity and agency, and the firm-based marketplace structure and stigma (Arsel et al., 2022). Numerous white papers and policy briefs also discuss the need for, and the implementation of, DEI strategies. In the domain of diversity, an expanse of literature is dedicated to proving the benefits of diverse organizations, such as increased revenue and performance (Herring, 2009; Mukherjee and Singh, 2014; Duppati et al., 2020; Brahma et al., 2023), higher attendance (Deloitte, 2013), and greater innovation (Forbes Insights, 2011). Another strand focuses on the effects of inclusion on various aspects of the workspace, like teamwork (Jiang et al., 2022), employee well-being (Barak and Levin, 2002; Perales, 2022), microaggressions (Parikh & Leschied, 2022), and control (Zanoni and Janssens, 2007; Ortlieb and Sieben, 2014).

DEI research in the Indian context is particularly inadequate (Haq et al., 2020). DEI practices in India are distinct for public and private firms. Since Constitutionally-mandated affirmative action (or 'reservation') policies are applicable only in public institutes, this results in hiring quotas based on caste, gender (only for the transgender community), income and disability (see Haq, 2012). Meanwhile, changes in attitude towards DEI in the private sector are being led by MNCs, especially in terms of gender and sexual orientation (Meena, 2015).

A significant portion of DEI research is dedicated to the inclusion of women in the workplace, including research on productivity (Kravitz, 2003), harassment (Sharma, 2019), pay gaps (Dandar & Lautenberger, 2021), labor force participation rates (Abraham et al., 2022), and the broader role and progress of women at work (see Selmi and Cahn, 2006; Krivkovich et al., 2022; Sengupta Dawn, 2023). For SOGIESC minorities, various North American case studies and company-specific surveys evaluate their interactions with the labor market, while instruments like employee satisfaction surveys help gauge the performance of DEI policies (see Bailinson et al., 2020; Dupreelle et al., 2020; McKinsey & Company, 2022). Another strand of empirical work on SOGIESC diverse identities relates to labor market discrimination (see Fric, 2017). Badgett (1995) deduces that gay and bisexual male workers earn 11%-27% less than heterosexual male workers with similar levels of experience and education, while Drydakis (2009) uses a correspondence study to confirm hiring discrimination for gay men in Greece. Similarly, Shannon (2022) uses interval regression to conclude that all transgender groups have significantly lower incomes and are more likely to be in poverty, unemployed or working part-time.

There are numerous qualitative studies of SOGIESC minority employees in the field. However, all such available accounts are unable to differentiate between the choices of individuals of minority communities and actual wage discrimination by employers. Disclosure of identity at work plays an important role in forming bonds and may impact their overall productivity at work. This decision is affected by a variety of factors, including risk variables (income, working with children), prior loss of job due to coming "out", and the socioeconomic climate (Schneider, 1986). Not disclosing a part of your identity prevents one from building meaningful relationships in the office, and can result in increased stress, and lesser support and reassurance (Bucher & Raess, 2007). On the other hand, Calvard et al. (2020) study the experience of a queer and bisexual employee at a British university and find that being "out" in the organization led to continuous expectations of extra labor, through educating co-workers and being treated as a spokesperson for the entire community. Thus, SOGIESC minorities may conduct a cost-benefit analysis of coming "out" (Thoroughgood et al., 2020). This is coupled with the multiple coming-out conundrum: an individual must come "out" several times across their working life to different people at work, contributing to stress and anxiety (Bailinson et al., 2020). To minimize any backlash, SOGIESC minorities often employ strategies to decrease biases and prejudice, including by 'covering,' a process where the person tries to fit in by minimizing differences (Slade et al., 2021).

Discrimination in the labor market is another widely studied topic. Theories proposed include Becker's model of taste discrimination (there is distaste for minorities, and a price is placed on this leading to wage differentials), Alexis' theory which extends the neoclassical model and replaces taste with envy/ malice, and Bergmann's crowding hypothesis (restricting minority workers to certain sectors increases their labor supply and decreases their marginal productivity) (Dex, 1979). However, such theories were developed primarily with respect to the employer and assumed that power was only vested in them.

We also know that work experience is an important determinant of financial compensation. Individuals with more years of experience tend to possess a larger skillset and accumulated knowledge, especially if previous organizations prioritized the employee's growth. This excess value is rewarded by positions at higher levels of the organization, with greater autonomy and perks. Thus, Madgavkar et al. (2022) note that work experience contributes 58% of average lifetime earnings in India.

The role of identity in compensation, on the other hand, is a relatively unexplored topic. Hernandez et al. (2019) determined that race played an important role in salary negotiations and noted that prospective Black employees were expected to bargain less. If these expectations were broken, they were awarded lower starting salaries. Our paper relies heavily on financial compensation at work and how it is determined. While standard labor market models consider wages to be given, in a real-world scenario, both employers and potential employees engage in a round of negotiation (sometimes multiple) to arrive at a mutually desirable value (Munro, 2020). We attempt to locate this internal negotiation process in the SOGIESC diverse identity of employees, who may conduct a cost-benefit analysis of an inclusive workplace. Other factors also play an important role in an employee determining their fair wage, such as work-life balance, passion-payoff (Munro, 2020), health benefits, etc. Hu and Hirsh (2017) report that people who derive meaning from their occupations enjoy benefits such as enhanced well-being and productivity, while a lack of meaning contributes to anxiety, exhaustion, and boredom. For SOGIESC minority groups, an inclusive workplace may provide meaning and purpose to their careers and enable them to forgo larger financial compensations. This can be visualized through mechanisms like sense of security, forming a community at work, the ability to bond with other SOGIESC minorities and like-minded individuals, etc.

We use Akerlof & Kranton's work on identity economics to form our theoretical base. Standard neoclassical theory was largely built on *homo economicus*, the infinitely rational man who has complete knowledge and maximizes utility. However, rationality as an assumption is mostly violated in the real world. Akerlof and Kranton (2010) introduced the concepts of social categories, norms and ideals, and the identity utility function to account for the role played by identity in the real world. Social categories are the groups people divide themselves into, while norms and ideals reflect how these categories are supposed to behave: different social categories behave differently, and thus have distinct norms and ideals. Individuals, then, act to maximize their standard and identity utility functions, given their identity, social norms, and ideals.

We extend a similar framework to the identity model of financial compensation explored by this paper by classifying employees as SOGIESC and non-SOGIESC minorities. Here, the norms and ideals are such that SOGIESC minority communities value inclusive workplaces more. Finally, analogous to the original model, SOGIESC minorities gain utility by working at inclusive organizations and lose utility when working at non-inclusive organizations. The utility function for non-SOGIESC minorities is more complex: they are indifferent to inclusive and non-inclusive organizations if they suffer no or equal wage cuts. Otherwise, they gain utility when they work in non-inclusive organizations but receive higher pay and lose utility if employed at inclusive organizations at lesser pay. Our model predicts that SOGIESC minority communities will have a higher likelihood to opt for wage cuts for an inclusive work culture, compared to non-SOGIESC minorities.

## 3 Methodology

Our objective is to understand if individuals are willing to take a lower salary in lieu of hostile work environments. Our main dependent variable measures the wage cut (in percentage) the respondent is willing to accept for a more inclusive workplace, while our main independent variable is whether the respondent self-identifies as a SOGIESC minority. Thus, we use two methods to analyse our data: ordinal regression analysis and interval regression analysis. Under ordinal regression, both ordered logistic regression (ologit) and ordered probit regression (oprobit) are utilized.<sup>5</sup> We use this as our primary empirical strategy since

<sup>&</sup>lt;sup>5</sup>The random error term  $\epsilon$  follows a logistic distribution  $\Lambda$  (mean 0 and variance  $\pi^2/3$ ) for ologit models, and a normal distribution  $\Phi$  (mean 0 and variance 1) for oprobit models. Thus, the major difference between the two models lies in their link functions (and consequently, their underlying probability distributions).

the outcome variable is measured using a hypothetical situation and six ordered categories. In such a scenario, the respondents are more likely to answer by ordering the response categories.

Two specifications are used in this study. The first includes the binary variable  $sogiesc_i$  as the variable of interest: it takes value 1 if respondent *i* identifies as a member of SOGIESC minority communities and 0 if not. The second model treats the categorical variable  $out_i$  as the primary explanatory variable: it takes five different values depending on the respondent's disclosure of identity in the workplace. Thus, this model provides more sensitive results. We also measure discrimination faced in the workplace due to SOGIESC characteristics in the past five years using a binary variable. This variable is self-reported and includes the respondent's beliefs regarding promotions and general competence at work along with overt discrimination.

Typically, in ordinal analysis, there is a lack of knowledge regarding the outcome variable. In other words, while y may be observed, it is estimated as a function of the continuous latent variable  $y^*$  which has various cut-off points or thresholds  $\tau_i$  (Williams, 2021). The value of y depends on these thresholds. For the analysis under consideration, we form the following relationship:

$$y_{i} = \begin{cases} 0, -\infty \leq y_{i}^{*} < \tau_{1} \\ 1, \tau_{1} \leq y_{i}^{*} < \tau_{2} \\ 2, \tau_{2} \leq y_{i}^{*} < \tau_{3} \\ 3, \tau_{3} \leq y_{i}^{*} < \tau_{4} \\ 4, \tau_{4} \leq y_{i}^{*} < \tau_{5} \\ 5, \tau_{5} \leq y_{i}^{*} < \infty \end{cases}$$
(1)

This is also known as the measurement model, and the values for y correspond to the individual response, with 0 denoting the option for "No salary cut" and 5 denoting a salary cut of "More than 20%". Note that even though the questionnaire provides the values for  $\tau_i$ , they will not be considered here.

All regression equations control for individual characteristics such as education, annual household income (a binary variable with a cut-off of  $\mathbf{E}$ 1 million), caste (a binary variable of General and Others), religion (a binary variable of Believer and Non-believer), city of work (using government classification of tiers), and occupation (a binary variable of With Workplace and Without Workplace). Thus, the estimating equations are:

$$y_i = \beta_0 + \beta_{sogiesc} sogiesc_i + \beta_{disc} disc_i + \beta_{exp} exp_i + \delta X_i + \epsilon_i \tag{2}$$

$$y_i = \beta_0 + \beta_{out}out_i + \beta_{disc}disc_i + \beta_{exp}exp_i + \delta X_i + \epsilon_i \tag{3}$$

The equations are similar for ordinal and interval regressions, and only the outcome variable  $y_i$  changes. Further, in interval-coded data, the thresholds are already known, and thus, do not require estimation.  $X_i$  and  $\delta$  are the vectors of individual controls and their coefficients respectively for respondent *i*. Maximum likelihood estimation (MLE) is conducted to determine the parameters  $\beta$ s and  $\tau_i$ .

### 4 Data

Snowball sampling was used to collect data from individuals in May 2023. Since the study population is a "hidden population", snowball sampling is a valid survey tool (Institute of Medicine (US) Committee on Lesbian, Gay, Bisexual, and Transgender Health, 2011).<sup>6</sup> Apart from demographic characteristics, the survey questionnaire had two additional sections: one dealt with questions pertaining to SOGIESC identity while the other included questions on employment history. Belongingness of the respondent to a SOGIESC minority community is based on self-identification. The dependent variable was measured using a hypothetical scenario with six predetermined options (see Table A.1 for the questionnaire).

We circulated Google forms with the survey questionnaire on social media for a period of one month through websites hosting groups and chat rooms specifically used by SOGIESC

<sup>&</sup>lt;sup>6</sup>See Fish, 1999 for a more pointed discussion on snowball sampling in the context of SOGIESC identities.

minority communities in India (such as on Facebook and Reddit), as well as groups dedicated to posting the latest employment opportunities (such as on CiteHR and Telegram). In order to increase diversity in responses, survey links were also shared among DEI networks on LinkedIn and with influencers on Instagram and Twitter. The final sample included responses from 86 individuals. Power analysis on G\*Power determined n = 80 for conducting an ordinary least squares regression with a statistical significance of 95% (Faul et al., 2009).<sup>7</sup>

Table 1 provides the summary statistics of the sample, and Table 2 describes the sample. We received responses from 58 SOGIESC and 28 non-SOGIESC minority individuals. The subset of SOGIESC minorities has higher household incomes, education levels, and work experience on average. More than half the sample works either as professionals or salaried workers, implying links to formal organizational structures. There is limited caste and religious diversity in the sample, and most responses are from cisgender and gay individuals. Of the SOGIESC diverse responses, 19 individuals are "out" to only a select few at work, while 15 individuals are "out" to everyone.

Table 3 provides results for balanced tests conducted on observable covariates of the sample. We see that work experience and discrimination experienced at work are significant at the 1% and the 5% levels respectively. In other words, SOGIESC and non-SOGIESC individuals significantly differ on the basis of years of work experience and discrimination faced in the workplace. On the other hand, the sub-samples are balanced in terms of city of work, religion, and caste composition. We also note that most respondents belong to tier 1 or metropolitan cities. This indicates that the sample should largely be familiar with the term LGBTQIA+ and be able to interpret the appropriate meaning behind the term 'SOGIESC diverse/ minority' while filling the survey. Table 4 provides the distribution of being "out" across the type of work environment: most respondents have formal offices and there is no skewness in the degree of identity disclosure.<sup>8</sup>

<sup>&</sup>lt;sup>7</sup>The final data size may be the primary limitation of this research study. (Long, 1997) states that the small sample behavior of Maximum Likelihood (ML) estimators is largely unknown, and gives a ruleof-thumb of n = 100 and a minimum threshold of ten observations per binary category for consistent estimates. Moreover, the least common outcome should be used to determine the number of predictor variables (Stoltzfus, 2011). Thus, ordinal regression analysis using non-linear models for this study may provide inconsistent results.

<sup>&</sup>lt;sup>8</sup>See A.2 and A.3 for some more interesting distributions.

## 5 Results and Discussion

Two preliminary binary regressions were conducted, with the outcome being whether the respondent opted for a wage cut or not. Column 3 in Table A.4 shows that being a SOGIESC minority leads to a 3.8 times higher likelihood of opting for wage cuts for a more inclusive workplace, while Column 4 in Table A.5 shows that being "out" to only a select few at work is associated with a 9.2 times higher likelihood of opting for wage cuts. It also shows that discrimination due to SOGIESC characteristics leads to a higher likelihood of opting for lower pay by 3 times.

The ologit and oprobit regression results for  $sogiesc_i$  are reported in Table 5. We determine that belonging to SOGIESC minority groups implies that the individual is 2.3 times (p < 0.1) more likely to opt for a wage cut in order to work at an inclusive workplace. More importantly, discrimination is a significant determinant and if an individual has been discriminated against in the workplace in the past five years due to their SOGIESC characteristics, they are 2.8 times (p < 0.05) more likely to take a salary cut in lieu of hostile workspaces. Surprisingly, work experience has an opposing effect: an additional year of work experience results in individuals 9% (p < 0.01) less likely to opt for wage cuts.

Results for the model which uses being  $out_i$  as the variable of interest are reported in Table 6. Similar to the previous estimates, being discriminated against leads to a higher likelihood of opting for wage cuts, at 4.3 times (p < 0.01), while an additional year of experience leads to decreased likelihood of opting for wage cuts by 9% (p < 0.05). The gradations in disclosure of identity provide a more detailed analysis. Individuals who are not "out" to anyone in the workplace are 22% less likely to go for a lower salary to work in more inclusive workspaces, while those who are "out" to most people or everyone in the workplace are 1.4–2.4 times more likely opt for wage cuts. The most significant results are for individuals who are "out" to only select people in the workplace. These individuals are 4.6 times (p < 0.05) more likely to choose wage cuts to work in an inclusive workplace.

The results confirm our hypothesis that individuals from SOGIESC diverse communities on average value inclusive workplaces more due to their identity. This further depends on the level of disclosure of their identity, and inclusivity is most important for those community members who are "out" to only select individuals in their organizations. This is indicative of how they perceive threats to themselves, since individuals who are not "out" to anyone are less likely to need inclusive workplaces while those who are "out" to most or everyone at work are expected to have a strong support system elsewhere. Similarly, having faced discrimination in the past five years due to their SOGIESC characteristics also increases the value of inclusivity for an individual. This is a particularly important result, and suggests that the costs of violence for SOGIESC characteristics are high. More work experience, on the other hand, leads to a lower likelihood of opting for wage cuts. This is expected since more years of work experience usually leads to senior positions in the corporate space. In such situations, the individual plays a greater role in decision-making, has access to more resources, and would generally be immune to threats in the workplace, making them value inclusive workspaces less (Roche and Haar, 2010; Madgavkar et al., 2022). Education is another statistically significant value-driver of inclusivity, and an additional year of education makes individuals 1.3 times more likely to opt for wage cuts (p < 0.05) (see Tables 5 and 6).

Using the results from Table 5, the measurement model for  $sogiesc_i$  can be re-written as:

$$y_{i} = \begin{cases} 0, y_{i}^{*} \in (-\infty, 3.516) \\ 1, y_{i}^{*} \in [3.516, 4.691) \\ 2, y_{i}^{*} \in [4.691, 5.606) \\ 3, y_{i}^{*} \in [5.606, 6.568) \\ 4, y_{i}^{*} \in [6.568, 6.851) \\ 5, y_{i}^{*} \in [6.851, \infty) \end{cases}$$
(4)

Similar models can be derived for the probit form, as well as for the specifications with  $out_i$ . The marginal effects for the ordinal regression models for both specifications are presented in Tables 7, 8, 9, and 10.

#### 5.1 Robustness Checks

In ordinal regression models, the parallel lines assumption or the proportional odds assumption is of vital importance. It implies that each regressor has a uniform effect (same log odds) on all ordinal categories of the outcome variable. If the proportional odds assumption is violated, this would effectively lead to different ologit and oprobit coefficient values  $\beta$  for each category of y (Long & Freese, 2001). Apart from testing this assumption graphically, we use the user-written Stata test commands *omodel* and *brant*. Figures 1 and 2 show that the lines representing the cumulative probabilities are largely parallel to each other. Moreover, all the tests confirm that the proportional odds assumption holds in the model using *sogiesc<sub>i</sub>*, and only the Brant test reported that the assumption was violated in the *out<sub>i</sub>* model.<sup>9</sup>

Unlike in linear models, heteroskedasticity forms a formidable obstacle in ordinal regression analysis. While it will lead to unbiased but consistent estimates nonetheless for linear regression, heteroskedasticity yields inconsistent and biased estimates in non-linear models (Greene, 2003). Thus, the likelihood function needs to be modified accordingly in order to account for this effect. We hypothesized that discrimination could be the source of heteroskedasticity in this sample and modified the regression accordingly. However, this did not result in significantly different results, and we infer that there may be limited heteroskedasticity in the model. Hence, the estimates we report should be consistent and unbiased.

We also verified the robustness of estimates by checking the average marginal effects across SOGIESC and discrimination dummy variables (see Tables A.6 and A.7). It should be expected that an individual who is not discriminated against might value inclusive workplaces less compared to individuals who have faced workplace discrimination. This is true and can be seen in the differences in effects: in both ologit and oprobit models, the differences for the lower ordered categories are positive, while they are negative for the higher ordered categories.

 $<sup>^{9}</sup>$ In case the proportional odds assumption is violated, the generalized ordered logit model should be used. This model relaxes the assumption and allows for the presence of partial proportional odds or no proportional odds (Liu & Koirala, 2012).

The data we collected also allows for the use of interval regression. Most of the observations were interval-censored, with a small share being censored from above/ right-censored data. In addition to interval regression, we also conduct an ordinary least-squares regression with averages of the intervals being used as the outcome variable. Tables A.8 and A.9 present these linear model estimates. The results for both the linear models and the ordinal regression models are similar: they predict that an individual from SOGIESC minority groups is more likely to opt for wage cuts, as is an individual who has been discriminated against. The interval regression estimates that a SOGIESC minority individual will opt for a 1.63% higher salary cut compared to a non-SOGIESC minority individual, while an extra year of work experience decreases an individual's opted wage cut by 0.25%. Past discrimination will lead to individuals increasing their wage cut by 2.7%.

## 6 Conclusion

This research study is one of the first empirical works on the SOGIESC minority groups in India, specifically exploring their choices in the labor market. The paper attempted to examine the value differential of inclusivity in the workplace between SOGIESC and non-SOGIESC diverse groups. We determined that SOGIESC minorities valued inclusive work cultures more, and were 2.3 times more likely to take wage cuts to work in inclusive organizations instead of working at hostile workplaces with a higher pay. Moreover, discrimination faced due to SOGIESC characteristics is another important value driver of inclusivity, and discriminated individuals are 2.8 times more likely to take salary cuts. Work experience has a negative relationship with wage cuts for workplace inclusion, and this may be since higher positions increase access to resources and greater power in the organization, thereby diminishing the value of benefits provided by an inclusive organization.

Burchiellaro (2021), in a series of ethnographic interviews, interrogated how LGBT employees behave at work and concluded that there were forms of control unfolding in relation to how gender and sexuality were expected to be 'put to work' in the reproduction of 'queer value' in the office. Such power imbalances and the accompanying antagonism faced by SOGIESC minorities at work need to be addressed by strengthening DEI policies, such as starting employee resource groups, instituting non-discrimination and Equal Opportunities policies, and providing mental health support (see Sawyer et al., 2016; Glasgow and Twaronite, 2019; Thoroughgood et al., 2020).

The primary limitation of this research study is the survey sample used. Due to a paucity of statistics on SOGIESC diverse groups in India, stigma faced by members in the mainstream, and survey fatigue experienced by a large proportion of members, we were able to gather limited responses. This cautions against the generalization of the study results. However, future papers may attempt to conduct confirmatory studies with a larger and more diverse dataset. Similarly, accounting for political outlook (such as 'conservative' or 'liberal') and "passing" in SOGIESC communities<sup>10</sup> may enrich results.

Badgett et al. (2019) used fixed effects regression to determine that social inclusion of lesbians, gays and bisexuals (LGB), measured through extension of legal recognition, translated to an increase in real GDP per capita of around \$2000. It cost the economy between 6%–22% of GDP through labor and health market stigmatization of the LGB people. Thus, the macroeconomic repercussions of inclusion of SOGIESC minority communities are huge. Our research confirms that SOGIESC minority individuals will self-select into certain labor market opportunities which may not necessarily be the financially rational choice, and this will create inefficiencies in the market. Despite such evidence, DEI faces numerous challenges in India. Randstad Insights (2021) reported that only 9.5% organizations in India (mainly MNCs) had made significant efforts towards inclusion, and that most of the SOGIESC minority hiring took place at junior and middle levels. Similarly, ET Bureau (2022) revealed that only 42% of Indian companies had a written D&I policy. As the country is poised to become an even bigger economic heavyweight in the coming decades, there is a compelling and urgent need to enhance the inclusivity of SOGIESC diverse communities in the workplace.

<sup>&</sup>lt;sup>10</sup> "Passing" for trans\* individuals is a method of identity formation and is a vital determinant of discrimination faced (Anderson et al., 2020; Shannon, 2022)

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## Tables

		SOGIESC				Non-SOGIESC			
	Mean	SD	Min	Max	Mean	SD	Min	Max	
Annual income	14.83	6.90	2.5	22.5	12.50	7.82	2.5	22.5	
Education	17.84	2.16	14.0	24.0	17.11	1.37	14.0	19.0	
Work Experience	6.36	6.87	0.0	30.0	3.49	6.19	0.0	30.0	
Discrimination ex- perienced	0.71	0.46	0.0	1.0	0.46	0.51	0.0	1.0	
N	58				28				

*Notes*: Household income is in  $\mathbb{Z}$ Lakhs, and education and work experience are in years. Discrimination experienced at work in the last 5 years is a binary variable, coded as 1 for 'Yes' and 0 for 'No'.

 Table 1: Basic Summary Statistics

	Freq.	%		Freq.	%
Caste			Religion		
General	67	77.91	Agnostic/ Atheist/ Spiritual	23	26.74
Other	5	5.81	Buddhist	3	3.49
Other Backward Castes (OBC)	8	9.3	Christian	1	1.16
Scheduled Castes (SC)	5	5.81	Hindu	49	56.98
Scheduled Tribes (ST)	1	1.16	Muslim	5	5.81
			Other	5	5.81
Occupation					
Not employed/ Looking for work	6	6.98	Sex		
Professional	20	23.26	Female	38	44.19
Salaried worker	30	34.88	Male	47	54.65
Self-employed	2	2.33	Other	1	1.16
Student	28	32.56			
			Sexual Orientation		
Gender			Asexual	1	1.16
Cis-female	25	29.07	Bisexual	14	16.28
Cis-male	31	36.05	Gay	24	27.91
Genderqueer/ Non-binary	23	26.74	Lesbian	2	2.33
Other	6	6.98	Other	5	5.81
Trans-female	1	1.16	Pansexual	12	13.95
			Straight	28	32.56
"Out" in the Workplace					
Not Applicable	28	32.56	Wage $Cut(\%)$		
Not out to anyone	13	15.12	< 0.01	31	36.05
Out to only select individuals	19	22.09	0.01 - 5	21	24.42
Out to most people	11	12.79	5.01 - 10	14	16.28
Out to everyone	15	17.44	10.01 - 15	10	11.63
			15.01 - 20	2	2.33
			> 20	8	9.3

 Table 2: Description Statistics

	Non-SOGIESC	SOGIESC	p
Annual income	12.50	17.50	0.193
Education (years)	17	17	0.053
Work experience (years)	1.25	4.00	0.008
Discrimination experienced	13~(46%)	41 (71%)	0.035
Occupation			0.053
Not employed/ Looking for work	1 (4%)	5~(9%)	
Professional	6(21%)	14~(24%)	
Salaried worker	6(21%)	24~(41%)	
Self-employed	2 (7%)	0  (0%)	
Student	13~(46%)	15~(26%)	
City of work			0.651
Tier 1	24 (86%)	52 (90%)	
Tier 2	3~(11%)	3~(5%)	
Tier 3	1 (4%)	3(5%)	
Religion			0.011
Agnostic/ Atheist/ Spiritual	2(7%)	21 (36%)	
Buddhist	1 (4%)	2(3%)	
Christian	1 (4%)	0 (0%)	
Hindu	22 (79%)	27~(47%)	
Muslim	1 (4%)	4 (7%)	
Other	1 (4%)	4 (7%)	
Caste			0.411
General	22 (79%)	45 (78%)	
Other	0 (0%)	5~(9%)	
Other Backward Castes	4 (14%)	4(7%)	
Scheduled Castes	2~(7%)	3~(5%)	
Scheduled Tribes	0  (0%)	1 (2%)	

Notes: Median values are given for SOGIESC and Non-SOGIESC subsamples for annual income, education, and work experience. Other variables report frequency distribution of the sample across SOGIESC identity. p values for income, education, work experience, and discrimination are calculated using the Wilcoxon rank-sum test, while categorical variables use Fisher's exact test due to small sample size.

Table 3: Balance Table

	Occupation						
Are you "out"?	No workplace	Workplace	Total				
NA	16	12	28				
Not to anyone	6	7	13				
To select few	11	8	19				
To most	1	10	11				
To everyone	2	13	15				
Total	36	50	86				

Table 4: Cross-Tabulation between Being "Out" and Occupation Type

	(1)	(2)	(3)	(4)
Variables	Ologit OR	Ologit OR	Oprobit Coeff	Oprobit Coeff
SOGIESC	1.769	$2.300^{*}$	0.388	$0.517^{*}$
	(0.842)	(1.128)	(0.280)	(0.290)
Discrimination	$2.497^{**}$	2.829**	$0.484^{*}$	0.530**
	(1.089)	(1.252)	(0.255)	(0.258)
Experience		0.910***		-0.056**
		(0.033)		(0.022)
Education	1.169	$1.305^{**}$	0.084	$0.147^{**}$
	(0.124)	(0.153)	(0.063)	(0.069)
Observations	86	86	86	86

*Notes*: Standard errors are in parentheses. The main independent variable is a binary of SOGIESC identity. All specifications control for income, caste, religion, city of work, and occupation. Columns (1) and (2) report Odds Ratios and Columns (3) and (4) report ordered probit coefficients. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table 5: Ordinal Regression Estimates for  $sogiesc_i$ 

	(1)	(2)	(3)	(4)
Variables	Ologit OR	Ologit OR	Oprobit Coeff	Oprobit Coeff
Not "out" to anyone	0.512	0.778	-0.309	-0.093
	(0.358)	(0.566)	(0.410)	(0.421)
"Out" to select few	3.739**	4.612**	$0.771^{**}$	0.871**
	(2.191)	(2.778)	(0.350)	(0.357)
"Out" to most	1.624	2.381	0.508	0.696
	(1.250)	(1.847)	(0.438)	(0.450)
"Out" to everyone	1.399	1.468	0.249	0.266
	(0.960)	(0.997)	(0.417)	(0.419)
Discrimination	3.889***	4.305***	$0.742^{***}$	$0.783^{***}$
	(1.886)	(2.092)	(0.281)	(0.284)
Experience		$0.912^{**}$		-0.053**
		(0.036)		(0.023)
Education	1.178	$1.299^{**}$	0.0700	$0.126^{*}$
	(0.133)	(0.160)	(0.068)	(0.072)
Observations	86	86	86	86

Notes: Standard errors are in parentheses. The main independent variable measures degree of being "out" at work. All specifications control for income, caste, religion, city of work, and occupation. Columns (1) and (2) report Odds Ratios and Columns (3) and (4) report ordered probit coefficients. \*\*\*p < 0.01,\*\*p < 0.05,\* p < 0.1

Table 6: Ordinal Regression Estimates for  $out_i$ 

	(1)	(2)	(3)	(4)
Wage Cut	SOGIESC	Discrimination	Experience	Education
< 0.01%	-0.158*	-0.198**	0.018***	$-0.051^{**}$
	(0.089)	(0.078)	(0.006)	(0.021)
0.01 - 5%	-0.008	-0.010	0.001	-0.002
	(0.013)	(0.0160)	(0.001)	(0.004)
5.01 - 10%	$0.036^{*}$	$0.045^{**}$	-0.004**	$0.011^{*}$
	(0.022)	(0.021)	(0.002)	(0.006)
10.01 - 15%	0.051	0.063**	-0.006**	$0.016^{**}$
	(0.032)	(0.030)	(0.003)	(0.008)
15.01 - 20%	0.014	0.017	-0.002	0.004
	(0.012)	(0.013)	(0.001)	(0.003)
> 20%	0.066	0.083**	-0.008**	0.021**
	(0.043)	(0.041)	(0.0035)	(0.011)

Notes: Standard errors are in parentheses. All predictors are at their mean value. The main independent variable is a binary of SOGIESC identity. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table 7: Ologit Marginal Effects for  $sogiesc_i$ 

	(1)	(2)	(3)	(4)
Wage Cut	SOGIESC	Discrimination	Experience	Education
< 0.01%	-0.167*	-0.171**	$0.018^{***}$	-0.048**
	(0.090)	(0.080)	(0.007)	(0.021)
0.01 - 5%	-0.006	-0.006	0.001	-0.002
	(0.012)	(0.012)	(0.001)	(0.003)
5.01 - 10%	$0.035^{*}$	$0.036^{*}$	-0.004**	$0.010^{*}$
	(0.021)	(0.020)	(0.002)	(0.006)
10.01 - 15%	$0.050^{*}$	$0.051^{*}$	-0.005**	$0.014^{**}$
	(0.030)	(0.027)	(0.002)	(0.007)
15.01 - 20%	0.013	0.014	-0.001	0.004
	(0.012)	(0.011)	(0.001)	(0.003)
> 20%	0.075	$0.077^{*}$	-0.008**	$0.021^{*}$
	(0.046)	(0.041)	(0.004)	(0.011)

Notes: Standard errors are in parentheses. All predictors are at their mean value. The main independent variable is a binary of SOGIESC identity. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table 8: Oprobit Marginal Effects for  $sogiesc_i$ 

	"Out"						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Wage Cut	Not to anyone	To select few	To most	To everyone	Discrimination	Experience	Education
< 0.01%	0.051	-0.260***	-0.163	-0.076	-0.268***	$0.017^{**}$	-0.048**
	(0.148)	(0.095)	(0.138)	(0.133)	(0.080)	(0.007)	(0.022)
0.01 - 5%	-0.007	-0.044	-0.008	0.003	-0.011	0.0007	-0.002
	(0.024)	(0.036)	(0.026)	(0.009)	(0.022)	(0.0015)	(0.004)
5.01 - 10%	-0.015	0.049*	0.041	0.021	$0.065^{**}$	-0.004**	$0.012^{*}$
	(0.045)	(0.030)	(0.033)	(0.038)	(0.027)	(0.002)	(0.006)
10.01 - 15%	-0.014	$0.091^{**}$	0.054	0.024	$0.084^{**}$	-0.005**	$0.015^{*}$
	(0.040)	(0.042)	(0.050)	(0.042)	(0.034)	(0.003)	(0.008)
15.01 - 20%	-0.003	0.026	0.014	0.005	0.021	-0.001	0.004
	(0.009)	(0.020)	(0.016)	(0.011)	(0.016)	(0.001)	(0.003)
> 20%	-0.011	$0.137^{**}$	0.061	0.022	$0.108^{**}$	-0.007**	$0.019^{*}$
	(0.032)	(0.069)	(0.066)	(0.042)	(0.043)	(0.003)	(0.010)

Notes: Standard errors are in parentheses. All predictors are at their mean value. The main independent variable measures degree of being "out" at work. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table 9: Ologit Marginal Effects for  $out_i$ 

	"Out"						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Wage Cut	Not to anyone	To select few	To most	To everyone	Discrimination	Experience	Education
< 0.01%	0.032	-0.263***	-0.219*	-0.090	-0.246***	$0.017^{**}$	-0.040*
	(0.146)	(0.101)	(0.131)	(0.141)	(0.083)	(0.007)	(0.022)
0.01 - 5%	-0.005	-0.031	-0.015	0.005	-0.008	0.000572	-0.0014
	(0.023)	(0.033)	(0.031)	(0.010)	(0.018)	(0.001)	(0.003)
5.01 - 10%	-0.009	$0.050^{*}$	0.047	0.024	$0.054^{**}$	-0.004**	0.009
	(0.042)	(0.028)	(0.029)	(0.037)	(0.024)	(0.002)	(0.006)
10.01 - 15%	-0.009	0.083**	0.069	0.027	$0.074^{**}$	-0.005**	0.012
	(0.040)	(0.039)	(0.046)	(0.043)	(0.032)	(0.0025)	(0.007)
15.01 - 20%	-0.00191	0.0231	0.0182	0.00626	0.0190	-0.00129	0.00305
	(0.009)	(0.018)	(0.017)	(0.011)	(0.014)	(0.001)	(0.0026)
> 20%	-0.008	$0.137^{*}$	0.099	0.028	$0.107^{**}$	-0.007**	0.017
	(0.034)	(0.070)	(0.080)	(0.048)	(0.045)	(0.0035)	(0.011)

Notes: Standard errors are in parentheses. All predictors are at their mean value. The main independent variable measures degree of being "out" at work. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table 10: O<br/>probit Marginal Effects for  $out_i$ 

## Figures



Figure 1: Proportional Odds Assumption for  $sogiesc_i$ 



Figure 2: Proportional Odds Assumption for  $out_i$ 

# Appendix

Question	Type
Age	Continuous
Income (₹Lakhs)	Continuous
City	Categorica
Education (years)	Continuous
Occupation	Categorica
Caste	Categorica
Religion	Categorica
Sex assigned at birth	Categorica
Gender	Categorica
Sexual orientation	Categorica
Do you identify as a member of the LGBTQIA+ communities/ SO-GIESC minority communities?	Binary
Being "out" refers to being open about, or not hiding your, sexual/ gender identity. In the workplace, are you "out"?	Categorica
Experience (years)	Continuou
Have you faced any instance of discrimination due to gender or sexual prientation in the past five years?	Binary
Going forward, do you think your gender or sexual orientation will make it harder for you to get a raise, a promotion, or a chance to get ahead?	Binary
Do you feel the need to provide more evidence for your competence?	Binary
Inclusive organizations are ones which have policies in place to en- sure that all communities which have historically been discriminated against are treated in a fair and equitable manner. In the context of LGBTQIA+ communities, policies include benefits extended to same sex partners, establishing ERGs for LGBTQIA+, etc. Keeping this in mind, which of the following options [regarding salary cuts] do you agree with the most?	Categorica

 Table A.1: Survey Questionnaire

	Gender						
Sexual Orientation	Cis-female	Cis-male	Genderqueer/ Non-binary	Other	Trans-female	Total	
Asexual	0	1	0	0	0	1	
Bisexual	6	2	4	1	1	14	
Gay	0	14	8	2	0	24	
Lesbian	1	0	0	1	0	2	
Other	3	2	0	0	0	5	
Pansexual	2	1	9	0	0	12	
Straight	13	11	2	2	0	28	
Total	25	31	23	6	1	86	

Table A.2: Cross-Tabulations between Sexual Orientation and Gender

	Religion						
Are you "out"?	Agnostic/ Atheist/ Spiritual	Buddhist	Christian	Hindu	Muslim	Other	Total
NA	2	1	1	22	1	1	28
Not to anyone	3	0	0	9	1	0	13
To select few	8	0	0	8	2	1	19
To most	2	0	0	6	1	2	11
To everyone	8	2	0	4	0	1	15
Total	23	3	1	49	5	5	86

Table A.3: Cross-Tabulations between Being "Out" and Religion

	(1)	(2)	(3)	(4)	(5)
Variables	OLS Coeff	OLS Coeff	OLS Coeff	Logit OR	Probit Coeff
SOGIESC	0.267**	0.241*	$0.259^{**}$	3.826**	$0.786^{**}$
	(0.122)	(0.123)	(0.122)	(2.328)	(0.361)
Discrimination		0.138	0.136	2.007	0.407
		(0.111)	(0.110)	(1.039)	(0.314)
Experience			-0.014	$0.930^{*}$	-0.043
			(0.009)	(0.040)	(0.027)
Education	0.034	0.032	0.044	1.261	0.144
	(0.028)	(0.028)	(0.029)	(0.192)	(0.091)
Observations	86	86	86	86	86
R-squared	0.104	0.122	0.150		

Notes: Standard errors are in parentheses. All specifications control for education, income, caste, religion, city of work, and occupation. The main independent variable is a binary of SOGIESC identity. The outcome variable is a binary of whether the individual opts for a wage cut or not for an inclusive workplace. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table A.4: Preliminary Binary Regression for  $sogiesc_i$ 

	(1)	(2)	(3)	(4)	(5)
Variables	OLS Coeff	OLS Coeff	OLS Coeff	Logit OR	Probit Coeff
Not "out" to anyone	0.0996	0.004	0.041	1.353	0.165
	(0.171)	(0.179)	(0.180)	(1.119)	(0.490)
"Out" to select few	0.334**	$0.356^{**}$	$0.365^{**}$	9.217**	$1.306^{**}$
	(0.153)	(0.152)	(0.151)	(8.225)	(0.518)
"Out" to most	0.243	0.219	0.245	3.572	0.771
	(0.195)	(0.193)	(0.193)	(3.287)	(0.556)
"Out" to everyone	$0.370^{**}$	0.278	0.273	4.594	0.896
	(0.179)	(0.185)	(0.184)	(4.454)	(0.564)
Discrimination		0.204*	0.199	$3.081^{*}$	$0.667^{*}$
		(0.122)	(0.121)	(1.864)	(0.360)
Experience			-0.012	0.936	-0.039
			(0.009)	(0.041)	(0.026)
Education	0.035	0.030	0.040	1.266	0.139
	(0.030)	(0.029)	(0.030)	(0.212)	(0.099)
Observations	86	86	86	86	86
R-squared	0.130	0.162	0.183		

*Notes*: Standard errors are in parentheses. All specifications control for education, income, caste, religion, city of work, and occupation. The main independent variable measures degree of being "out" at work. The outcome variable is a binary of whether the individual opts for a wage cut or not for an inclusive workplace. \*\*\*p < 0.01,\*\*p < 0.05,\*p < 0.1

Table A.5: Preliminary Binary Regression for  $out_i$ 

	Wage Cut					
	(1)	(2)	(3)	(4)	(5)	(6)
SOGIESC Minority	< 0.01%	0.01 - 5%	5.01 - 10%	10.01 - 15%	15.01 - 20%	> 20%
Not discriminated	0.420	0.281	0.153	0.085	0.014	0.047
Discriminated	0.204	0.250	0.221	0.170	0.034	0.122
Difference	0.216	0.031	-0.068	-0.085	-0.019	-0.075
Non-SOGIESC Minority						
Not discriminated	0.625	0.219	0.087	0.042	0.007	0.021
Discriminated	0.371	0.285	0.170	0.099	0.017	0.057
Difference	0.254	-0.067	-0.083	-0.058	-0.011	-0.036

*Notes*: All predictors are at their mean values.

Table A 6:	Average	<b>Ologit</b>	Marginal	Effects	for	sogiesc:
<b>1</b> abic 11.0.	riverage	Ologiu	marginar	LIICCUS	101	$soyicsc_i$

	Wage Cut					
	(1)	(2)	(3)	(4)	(5)	(6)
SOGIESC Minority	< 0.01%	0.01 - 5%	5.01 - 10%	10.01 - 15%	15.01 - 20%	> 20%
Not discriminated	0.406	0.274	0.163	0.096	0.016	0.045
Discriminated	0.221	0.253	0.208	0.162	0.033	0.122
Difference	0.185	0.020	-0.045	-0.066	-0.017	-0.077
Non-SOGIESC Minority						
Not discriminated	0.610	0.227	0.099	0.044	0.006	0.014
Discriminated	0.401	0.274	0.165	0.098	0.016	0.046
Difference	0.209	-0.047	-0.066	-0.053	-0.010	-0.033

*Notes*: All predictors are at their mean values.

Table A.7: Average Oprobit Marginal Effects for  $sogiesc_i$ 

	(1)	(2)	(3)
Variables	Interval Regression	Interval Regression	OLS
SOGIESC	1.304	1.632	1.632
	(1.716)	(1.676)	(1.635)
Discrimination	$2.858^{*}$	$2.787^{*}$	$2.724^{*}$
	(1.556)	(1.513)	(1.614)
Experience		-0.254**	-0.254***
		(0.117)	(0.088)
Education	0.500	0.729*	0.700
	(0.394)	(0.397)	(0.439)
Observations	86	86	86
R-squared			0.198

Notes: Standard errors are reported in parentheses for interval regression, and robust standard errors are reported for OLS. The dependent variable in the OLS model are the means of the wage cut categories. All specifications control for income, caste, religion, city of work, and occupation. \*\*\*p < 0.01,\*\* p < 0.05,\* p < 0.1

Table A.8: Linear Regression Estimates for  $sogiesc_i$ 

	(1)	(2)	(3)
Variables	Interval Regression	Interval Regression	OLS
Not "out" to anyone	-2.756	-2.022	-1.971
	(2.395)	(2.357)	(2.015)
"Out" to select few	$3.552^{*}$	3.732*	$3.670^{*}$
	(2.053)	(2.001)	(2.085)
"Out" to most	2.721	3.258	3.204
	(2.606)	(2.552)	(3.329)
"Out" to everyone	-0.267	-0.371	-0.375
	(2.486)	(2.421)	(2.045)
Discrimination	4.487***	4.386***	4.300***
	(1.646)	(1.604)	(1.580)
Experience		-0.242**	-0.242**
		(0.114)	(0.094)
Education	0.315	0.519	0.498
	(0.400)	(0.401)	(0.448)
Observations	86	86	86
R-squared			0.255

Notes: Standard errors are reported in parentheses for interval regression, and robust standard errors are reported for OLS. The dependent variable in the OLS model are the means of the wage cut categories. All specifications control for income, caste, religion, city of work, and occupation. \*\*\*p < 0.01,\*\*p < 0.05,\*p < 0.1

Table A.9: Linear Regression Estimates for  $out_i$