



## LEVEL PLAYING FIELD INSTITUTE

### **OPEN LETTER TO THE TECH COMMUNITY: TAKING A CLOSER LOOK AT THE UNDERREPRESENTATION OF WOMEN AND PEOPLE OF COLOR IN THE IT SECTOR**

The information technology sector is critical to the United States' current economic and future growth, yet the industry continues to suffer from a significant shortage of talent: Companies simply cannot fill open positions. With our dismal educational outcomes (the U.S. ranks 48<sup>th</sup> out of 133 nations in the quality of math and science instruction<sup>i</sup>), the U.S. is going to need to think seriously about developing diverse homegrown talent to continue to stimulate growth and climb out of the recession. H-1B and start-up visas cannot be our only solution. We need a solution that will both fix a leaking educational pipeline, and also ensure that more individuals from groups underrepresented in tech are recruited, mentored, engaged and retained. The bottom line: Tech leaders must pay more attention to diversity within their organizations to stay competitive.

#### **The tech industry claims to be a meritocracy, but evidence shows this to be a myth. Hidden biases advantage specific groups – a multi-billion dollar problem.**

This is an invisible minefield for companies: IT workplaces often boast meritocratic values, claiming to hire positions and award promotions solely based on employees' skill, talent and contributions. As discussed in Level Playing Field Institute's new report, [\*The Tilted Playing Field\*](#), tech leaders often don't examine their organizational structure, policies, and practices for hidden biases, instead thinking their current diversity efforts are enough. However, LPFI's study shows women and underrepresented people of color in IT encounter more obstacles within the workplace, and that IT workplaces are not as impartial and meritocratic as they may aspire to be. For example, data demonstrated that underrepresented groups encountered negative workplace incidents (e.g., bullying, exclusionary cliques) at rates significantly higher than their male and white counterparts.

But why should tech leaders care?

Because a significant correlation was found between negative workplace experiences and job satisfaction and as the number of negative work experiences increased, job satisfaction and likelihood to remain with that company *significantly decreased*. Not surprisingly then, underrepresented people of color were least satisfied with their job, and most likely to leave the company in the upcoming year, while white males were by far the most satisfied with their jobs. This demonstrates that workplace culture within tech impacts the retention of diverse employees—and unwanted turnover comes at a major price to employers, costing U.S. companies an estimated \$64 billion a year.<sup>ii</sup> (While unemployment remains a big problem in many sectors, there remains a highly competitive battle for engineering talent.)

#### **We see a large disparity between the dismal statistics, the diversity platitudes of IT companies, and actions taken to remedy underrepresentation.**

The *Tilted Playing Field* study demonstrates that gatekeepers remain largely satisfied with diversity efforts, despite the scarcity of women and people of color in the sector and despite the fact that diverse individuals within the sector simultaneously remain unsatisfied with company efforts to diversify.

Underrepresented people of color were nearly twice as likely as whites to be in favor of a company-wide practice to increase diversity (80% compared to 46%). And 82% of men in startups believed their companies spent the “right amount of time” addressing diversity, while almost 40% of women believed not enough time was devoted. The “it works for me” mentality by majority groups is not a diversity strategy.

Additionally, the lack of women and people of color in IT is often seen as solely a by-product of a faulty STEM (science, technology, engineering, and mathematics) educational pipeline and not related to any factors within IT workplaces. This leads companies to look outside for solutions rather than carefully examining their own contributions to the STEM shortage.

While we credit the many IT companies who support STEM education programs, we challenge their lack of serious and rigorous attention to examining the IT sector itself. Some of this avoidance is intentional and therefore highly inconsistent with companies’ so-called commitment to diversity. A number of top Silicon Valley tech companies have sued to hide the public release of their employee data revealing the *decline* of diverse professionals. Others fail to disaggregate by gender and race/ethnicity their internal data on hiring and retention, and deny external reviewers access to survey employees about their experiences. Failing to examine employees’ perceptions and experiences within their workplaces means that neither problems nor effective solutions can be gleaned. It undermines the resources leaders devote to recruiting, retaining, and engaging employees from all backgrounds.

**A call to action: Increasing opportunities and improving experiences for women and people of color in IT is of critical importance.**

The technology sector has seen rapid growth year by year – even month by month – but a shortage of highly skilled employees has left many company leaders looking elsewhere for talent (e.g., startup and H1-B visas). Yet, there is a large pool of untapped talent in our backyard that remains overlooked. Tech companies must work collaboratively across sectors to increase the STEM educational pipeline, and decrease both the disparities in access to technology and the opportunities to pursue STEM careers. Simultaneously, the IT sector must embrace change within by creating workplace environments that recruit, value, and retain diverse talent. We see this not only as an important economic consideration, but also an issue of fundamental fairness and part of every organization’s civic responsibility.

Thus, we challenge tech leaders across the sector to address the following action items:

- **Collaborate in meaningful ways with nonprofits, educational organizations, and corporations to develop a homegrown pool of diverse talent.** Investments in the education of a new generation of talent to support the rapidly expanding sector will have a dual impact on the future success of IT companies and the outcomes of diverse communities. Ideas for collaborations range from funding STEM programs to providing mentorship and internship opportunities for young scholars.
- **Address hidden biases and barriers within workplaces that disadvantage underrepresented groups.** Too many of the criteria for hiring and promoting talent are subjective, based on what is familiar and comfortable rather than being truly objective. Too few opportunities are taken to formulate and solidify a true approach to valuing and increasing diverse talent. A growing body of research confirms what neuroscience tells us: the human brain is wired to be biased. This can serve as the basis of a unifying approach—but only if individual employees, managers, and entire companies take steps to mitigate their biases. Companies need to ensure that their practices and don’t inadvertently solidify hidden biases into hidden barriers and should engage in ongoing internal assessments of their practices, policies, and culture.

- **Conduct research to both uncover hidden biases within the sector and examine efforts taken by companies to increase diversity.** It's hard to change what you don't know. Companies must collect and analyze data – disaggregated by individual characteristics such as gender, race/ethnicity, and organizational characteristics such as position – to see how they are related to exclusionary experiences, job satisfaction/engagement, and retention. Organizations must use these data to continually inform and improve practices. Many companies currently hesitate to participate in research involving the analysis of employee demographics and experiences due to fears of lawsuits. The annual costs of disengagement and unwanted turnover are 10x greater than all the gender and race discrimination settlements.
- **Get the word out within your company, networks, and communities.** Subtle biases and exclusionary practices need to become safer topics of conversation. Companies must provide individuals ways to contribute to these conversations and spearhead efforts to improve practices. Colleagues need to find ways to create teams that inspire everyone to give their best efforts. Individuals at all levels within the tech community have the opportunity to contribute to this important conversation and improve both diversity and ultimately outcomes for tech companies.

Here are a few voices from industry leaders:

“We know that hidden biases are very costly for companies and that they are one of the top barriers to diversifying technical innovation. LPFI’s important study advances our understanding of how these biases operate specifically in technical workplaces. This study can be a great tool for raising awareness about these biases and taking steps to reduce them. This is exactly the kind of work that we need to keep doing in order to ensure that the technologies we create are as diverse as the people they serve.”— Catherine Ashcraft, Ph.D., Senior Research Scientist at National Center for Women & IT.

"Expanding the pipeline for women and underrepresented groups is critically important, but so is ensuring that tech companies value and develop that talent. As a major supporter of LPFI, I wholeheartedly endorse their efforts to increase the pipeline and shine a light on the otherwise invisible barriers. *The Tilted Playing Field: An Examination of Hidden Bias in Information Technology Workplaces* reminds us that tech's aspiration to be a meritocracy isn't fully realized."—Mitch Kapor, Managing Partner, Kapor Capital.

“How meritocratic are today's tech workplaces? One key to answering this question is to measure and track hidden bias. Surveys such as the *Tilted Playing Field: An Examination of Hidden Bias in Information Technology Workplaces* are an important step in resolving this crucial issue.” –Mitchell Baker, Chairperson of the Mozilla Foundation.

Download the full report, entitled *Tilted Playing Field: Hidden Bias in Information Technology Workplaces*: [http://www.lpfi.org/sites/default/files/tilted\\_playing\\_field\\_lpfi\\_9\\_29\\_11.pdf](http://www.lpfi.org/sites/default/files/tilted_playing_field_lpfi_9_29_11.pdf)

Download the Executive Summary of the report:  
[http://www.lpfi.org/sites/default/files/tilted\\_playing\\_field\\_executive\\_summary.pdf](http://www.lpfi.org/sites/default/files/tilted_playing_field_executive_summary.pdf)

Read the Press Release:  
[http://www.lpfi.org/sites/default/files/tilted\\_playing\\_field\\_lpfi\\_press\\_release\\_9\\_29\\_11.pdf](http://www.lpfi.org/sites/default/files/tilted_playing_field_lpfi_press_release_9_29_11.pdf)

---

<sup>i</sup> Dutta, S., & Mia, I. (2010) The Global Information Technology Report 2010-2011. World Economic Forum.  
[http://www3.weforum.org/docs/WEF\\_GITR\\_Report\\_2011.pdf](http://www3.weforum.org/docs/WEF_GITR_Report_2011.pdf)

<sup>ii</sup> Level Playing Field Institute (2007). Corporate Leavers Survey: The Cost of Employee Turnover Due Solely to Unfairness in the Workplace.  
<https://www.lpfi.org/sites/default/files/corporate-leavers-survey.pdf>