

The State of DEI in Tech 2022.

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Introduction

The 2020 protests around racial injustice and police brutality ignited an explosion of long-overdue conversations around diversity, equity and inclusion in the tech industry. Then, companies pledged both publicly and internally to make their teams more diverse. They vowed to adopt mindsets and initiatives that would make their workplaces more fair and welcoming for people of all backgrounds — especially for individuals from historically marginalized communities.

So, what has actually changed since then? How many companies fulfilled their promises to improve DEI efforts in 2021? And do people from diverse backgrounds feel any of that change in their access to career growth, their interactions with peers and how comfortable they feel showing up as their authentic selves?

These are some of the many questions we aim to answer in this report to get a true sense of the state of DEI in tech today. A significant amount of progress was made in a single year, but things are still far from perfect. There's no room for backpedaling or broken promises now because change in the tech industry is still very much needed.

It's vital that everyone in the tech community has equitable access to the roles, career advancement opportunities and workplace experiences that make tech a fulfilling place to be. We hope that by laying bare the current conditions of DEI in tech, we can further expose the gaps in the industry so that all of us can continue fixing them.



Report Methodology

This report analyzes survey data on diversity, equity and inclusion in the technology industry collected by Built In from December 2021 to January of 2022.

Our surveys gathered information on tech professionals' attitudes and tech employers' efforts — as well as the gaps between them concerning DEI in the workplace. We released two surveys: one geared toward tech professionals and the other to tech employers. Both surveys used a combination of Likert scales, multiple choice questions and open-ended responses.

Both surveys were voluntary and anonymous and a total of 223 survey responses were analyzed.

The following pages contain proprietary information obtained by Built In that provides an in-depth analysis of the current state of diversity, equity and inclusion in the technology industry.

Defining BIPOC In More Inclusive Terms

Within this report, we use the term BIPOC to represent its traditional definition of Black, Indigenous and People of Color. For clarity in the report, we will also use the term to include Asian, Latino/Hispanic/Latinx and individuals of two or more races. We recognize that BIPOC is not a perfect term, which is why we are expanding its definition to maximize inclusion within this report.

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Executive Summary

After analyzing the input from tech professionals and employers, a handful of insights emerged. This executive summary highlights the key takeaways everyone in tech community needs to be aware of so that positive change can happen into 2023 and beyond.



DEI Impacts Hiring and Retention

Employees are not afraid to leave an employer if: they don't see diversity in the employee base, they feel their employer's DEI initiatives aren't up to par or if they face discrimination in the workplace. On the candidate side, an average of 55 percent of professionals say that a company's DEI initiatives and diversity on its interview panel are very important to them when considering a role.

What does all this mean? Simply put, if a company has poor diversity numbers and is actively failing to be inclusive, current employees will leave and job seekers will avoid seeking a role at that business. And losing out on talent in this way is something many employers can't afford to do in today's ultra-competitive tech talent market.

Workplace Experiences Are Not Equal, But Improving

Overall, there are huge gaps between how BIPOC individuals (as well as women and those with disabilities to slightly smaller degrees) experience the workplace compared to how white people do — which has been the case for some time in tech. White people (particulalry men) still feel as though they have the most transparency around their pay and what it takes to advance their career. They experience the highest degrees of workplace authenticity and respect from peers. They also face the least amount of discrimination. All of these are just a few of the many elements that make their workplace experiences better than everyone else's.





For tech to be a fulfilling industry to work in, BIPOC employees, women, members of the LGBTIA+ community and literally everyone from every background needs to feel respected and empowered to succeed to the maximum degree. The good news is that many of these gaps are shrinking year over year; dramatically in some cases. And as more companies implement DEI initiatives and improve their equity and inclusivity, workplace experiences can improve for everyone in tech as time goes on.

Diversity Is Still Needed, Especially With Black/African-American Talent

The tech industry is employee base is still predominantly straight, white men between the ages of 25-45. And the lack of diversity gets more apparent at the top of the executive ladder. In 2020, most companies did improve their diversity metrics within both their workforce and executive leadership across gender, race, age, sexual orientation and other demographics . But there is still a lot of ground to cover.

In spite of all the diversity commitments that companies made in 2020 and the cascade of social media pledges in support of the Black Lives Matter movement, Black/African-American employees are still the most underrepresented group in tech. Just over three quarters (76 percent) of companies hired more Black/African-American staff in the following year, but the overall metrics are still in major need of improvement.



Goal-Setting, Reporting and **Transparency Need a Boost**

More companies need to set goals around increasing their number of diverse hires as well as implementing new DEI initiatives. Setting goals is the first step in making tangible change within an organization. The next step is recording data, about everything: whether diversity hiring goals were met; what the demographics are for the board of directors; how the demographics of an employee base changed year over year and much more.

More businesses need to take their DEI reporting seriously because it can help them understand whether their overall efforts are successful or if they need fine-tuning. Just shy of half (45 percent) of employers said collecting and reporting on DEI metrics is a key factor in the success of their business and overall employee engagement. The rest of the pack needs to catch up.

Since 34 percent of professionals prioritize companies that are transparent about employee demographics, companies that oblige will have an edge in the race for talent. There's also a clear disconnect between where employees feel their company's DEI efforts are and where employers feel their efforts stand. Employers feel that their diversity metrics and DEI investments are more advanced than where tech professionals see them. Reporting can help create the transparency necessary to align these perceptions and prevent confusion.

Overall, goal-setting and reporting keeps companies accountable. They ensure that commitments to DEI are not just lip service and open the door to constructive dialogue if goals are not met.



Diversity in Tech

The last two years, a spotlight has been on the tech industry's reputation for a lack of diversity and rightfully forced many organizations to make necessary changes. While some improvements were made, there is still a long road ahead. In this section, we examine the demographic landscape of tech and how it's changed since 2020.



What is Diversity?

Diversity refers to the differences among groups of people. This can include the following: race, ethnicity, gender, gender identity, sexual orientation, age, socioeconomic class, physical ability or attributes, religious or ethical values system, national origin and political beliefs.

Diversity in the workplace is absolutely critical. As with all things, homogeneity leads to a plateau in both mindset and performance, which is a tech company's nightmare.

Having an employee base with a variety of backgrounds and experiences offers a plethora of unique ideas and solutions for tech companies to tap into. Diversity drives innovation and progress, which is a tech company's dream.

While diversity is just one element of a company's overall DEI strategy, it is the foundation needed to execute it successfully. So why doesn't every tech company have a diverse workforce? Let's jump into the data.

Gender Gaps Are Prevalent in Tech

More than half (64 percent) of survey respondents identify as women, which is a jump from the 51 percent who responded in 2020.

Similarly, tech employers reported having more women in their workforce. Last year, women made up less than 40 percent of the workforce at 53 percent of companies. This year, that metric improved and dropped from 53 to 39 percent, indicating that women accounted for more of the employee base at companies across the industry.





While the tech industry may be making strides for women, non-binary employees still lack much-needed representation.

87 percent of employers said non-binary individuals make up less than 10 percent of their staff. This is slightly better than 2020 in which 91 percent of employers reported less than 10 percent representation. But there is still work to do, especially since 9 percent of employers don't even collect data on whether employees identify as non-binary.



Racial Disparities in the Industry

The tech industry is still predominantly white, despite employers reporting a more diverse workforce year over year.

Of the users surveyed, more than half (59 percent) identify as white. One in four companies reported their teams are more than 70 percent white, whereas in 2020, 44 percent of employers reported this — a drop of 19 percent. This might be due to the fact that 71 percent of employers indicated they implemented a diverse hiring process in 2020. But even with that improvement, 70 percent of companies still have a workforce that is more than 50 percent white employees.

Black or African American employees are the most underrepresented group in tech. Almost two in three companies (62 percent) say Black or African American employees account for less than 10 of their entire organization. However, despite the jarring statistic, that is a 13 percent improvement from 2020.

Percent Of Companies Whose Employee Base Is Less Than 10 Percent Black/African-American

62%



Tech Could Use a Lesson on Ageism

Compared to previous years, we saw a slight increase in a more diverse set of age groups in tech. In 2021, 73 percent of employers surveyed said people ages 46-55 make up less than 25 percent of their workforce. That is a significant improvement over the 94 percent of companies that confirmed this metric the year prior year.

Despite that step forward, tech is very much still ageist. A majority of employers (89 percent) reported less than 25 percent of their workforce is made up of people ages 56 and older, and 19 percent of companies have zero employees in this age group.

The majority (85 percent) of employees represented in our survey fell between the ages of 25-45.

Age Breakdown of Companies





Reporting on Employee Sexual Orientation

The number of tech employees who identify as LGBTQIA+ rose slightly year over year to 23 percent. However, more than half (68 percent) of employers reported having less than 30 percent of their organization being made up of employees who identify as LGBTQIA+. Additionally, 31 percent of employers don't report on this metric at all.

Representation of Employees with Disabilities

Individuals that have a mental or physical disability accounted for one-fifth (20 percent) of our sample size this year, which is an 8 percent increase from the previous year. This improving statistic is reflected on the employer side as well. In 2020, 36 percent of companies said that they had zero employees with disabilities and last year, that number was cut by more than half (12 percent.)

Even though this metric is headed in the right direction, 32 percent of businesses still do not collect this data. It also remains to be seen what inclusion and equity tactics employers invest in to serve individuals with disabilities.

The Rate That Companies Hired Employees With A Mental Or Physical Disability Since 2020





Diversity of Tech Leaders

Employers have not made much progress in diversifying their leadership teams. **37 percent of companies report their executive team is more than 80 percent men, which is only a 2 percent drop since 2020.** Even worse, 81 percent of employers have no leaders that identify as non-binary.

This isn't the only area for improvement in tech leadership. 31 percent of tech employers report that white people make up at least 90 percent of their executive teams, which leaves little room for other representation.

Executive Leadership Demographics

Companies with O Native American or Alaska Native leaders	—————————————————————————————————————
Companies with O Native Hawaiian or Pacific Islander leaders	—————————————————————————————————————
Companies with O Non-Binary leaders	—————————————————————————————————————
Companies with O Black or African American leaders	— 73 %
Companies with O Hispanic or Latino leaders	—— 70 %



Leaders who identify as Asian have slightly more representation with 23 percent of companies stating they make up 11-20 percent of their executive leadership teams.

What makes this data even more concerning is that no companies reported having zero white leaders — a stark reminder of how much progress the tech industry has to make when it comes to better representation at the leadership level. After all, shouldn't all workplace changes start at the top?

Interpretation of Leadership Diversity is Misaligned

Almost half (45 percent) of companies said they improved diversity in their executive teams by at least 10-20 percent in 2021. Another 17 percent improved these metrics by 21-30 percent. The following graph shows the three biggest areas of improvement:



However, much bigger improvements are needed and employees agree. 43 percent of professionals stated their company's leadership team is not diverse at all.



Continuing to collect and report on this data as an organization is a great first step in improving the diversity of tech leadership. And while 63 percent of employers collect demographic information on their executive team, only 7 percent do for their board of directors. So it's clear that companies need to do more in this area.

The State of Diversity Hiring

Less than half (42 percent) of companies have leadership-approved goals for diversity hiring. This makes it difficult to hold organizations accountable for improving the diversity of their workforce. But what's even more concerning is that for the companies that do have goals in place, 52 percent don't know how close they got to hitting their marks.

Of the companies who set goals, 29 percent met less than 50 percent of what they planned to achieve. What held them back? Here are the main reasons:

Why Employers Missed Their 2021 Diversity Hiring Goals







Companies Without Leadership-Approved Diversity Hiring Goals



Companies With Leadership-Approved Diversity Goals But That Don't Know How Close They Were To Reaching Them



Just over one in three companies (39 percent) indicated they didn't know why they weren't successful in meeting their diversity hiring goals. Measurements of this type are necessary for accountability and growth in the industry.

In order for the tech industry to do better, companies must find ways to recruit more diverse talent. Here are some of the tactics that work well for some employers, as well as the percent of companies that invest in these initiatives:

Diversity Hiring Tactics Companies Invest In

Diversifying employee branding efforts		— 46 %
Investing in diverse job boards		— 46 %
Partnerships with external DEI-driven organizations		- 36%
Recruiting from HBCU's (Historically Black Colleges & Universities)	——— 19%	
Attending DEI-focused conferences	—— 16 %	

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Has Tech Diversity Overall Improved?

More than half (67 percent) of employers reported improvement in the diversity of their overall workforce by at least 10-20 percent. Another 16 percent of companies saw an improvement of 21-30 percent. Of these companies, here are the biggest areas of improvement:



While many most businesses said their diversity improved, employees don't feel the same way. A little more than half (58 percent) of employees feel their company is somewhat diverse, which is a large drop from the 72 percent who felt this way in 2020. And 27 percent of employees said their company is not at all diverse.

This misalignment begs the question: Are companies missing an opportunity to be more transparent about their diversity metrics?



A Missed Opportunity: Sharing DEI Metrics

Only 37 percent of employees who responded to our survey said their company reports on DEI metrics. Yet, 25 percent of candidates prioritize companies in their job search that report on DEI metrics; another 34 percent prioritize those that are transparent about employee demographics.

Collecting data might be a great first step, but not sharing it causes even bigger problems. And employers are starting to take note of this.

Before 2019, only 20 percent of employers collected and reported on DEI metrics. However, looking into 2022 and beyond, 40 percent of employers said they plan to invest in collecting and reporting on DEI metrics.

Furthermore, 45 percent of employers believe that collecting and reporting on DEI metrics is a key factor in the success of their business and overall employee engagement.

If collecting and reporting on DEI metrics hasn't been a priority yet, it should be now.

VS

20%

Of Employers Collected And Reported On DEI Metrics Pre-2019.

40%

Of Employers Plan To Collect & Report On DEI Metrics In 2022



Equity in Tech

What does equity look like in tech today? Do members of different groups feel like their workplace experiences and opportunities for career growth are fair? Are their perspectives considered and can they speak up without fear of being punished? We'll answer these questions and dive into what the idea of workplace equity means in this next section.



SECTION 3 What is Equity?

An often overlooked element of a company's DEI strategy is equity. **Many people believe equity is the same as equality, but that is not the case.** While equality provides the same opportunity to all, equity closes the gaps and provides each individual with the tools they need to succeed.

Consider two basketball players shooting a free throw: despite both shooting from the same spot, they aren't necessarily as likely to make the basket. Their access to training, barriers they faced just before or during their attempt and other factors unique to them can impact their shot.

The same is true in the workplace: presenting employees with the same opportunities does not mean the process is fair and equitable.

Equity refers to the practice of promoting impartiality, fairness and access across the organization. Equitable processes and procedures ensure that each employee has equal opportunities, regardless of disadvantages or barriers. Equity is extremely important for people from historically marginalized or underrepresented identities to be able to succeed and thrive.



In order to ensure equal circumstances for all individuals across an organization, equity demands that employers recognize barriers and advantages.



Not Everyone Feels Like They Have a Fair Shot

When thinking about workplace equity, fair opportunities to achieve higher pay and positions within a company often come to mind first. Achieving these outcomes, especially for marginalized groups, is more likely when employees know what it takes to advance to a higher level. Let's examine how professionals from various backgrounds see their level of access to the information necessary for advancement and whether they feel like they have a chance to excel.

I disagree or strongly disagree that my company...

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
is transparent about what it takes to advance to higher positions and pay in the organization	28%	42%	39%	26%	42%
offers me just as many opportunities to secure promotions and better pay as others in the company	30%	42%	41%	26%	36%
pays me fairly/equitably compared to my peers in similar roles	26%	33%	35%	31%	20%

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.



It's clear that respondents with disabilities as well as those who identify as BIPOC, women and non-binary feel like their opportunities for equitable advancement and pay are limited compared to white colleagues. In fact, at least one in three people with with disabilities, women, non-binary individuals and BIPOC professionals feel like their ability to climb the career ladder is being stifled in some way by their company.

What's more, the number of BIPOC people who strongly disagree that their company pays them fairly compared to those in similar roles more than doubled in 2021 to 33 percent from the previous year.

However, the news here isn't all bad. The number of BIPOC professionals who said their company is not transparent about how to advance in the organization is down by about 12 percent from last year. Additionally, individuals with disabilities saw a 10 percent decrease in feeling like they don't have transparency around — or the opportunities to secure — higher positions and pay at their employer.

33%

Percent Of BIPOC Employees Who Strongly Disagree That They're Paid Equitably To Others In Similar Roles — Up 2x From 2020



Feeling Like a Respected, Equal Professional in the Workplace

Another major aspect of equity in tech is how members of marginalized communities experience certain elements of the workplace. For example, do women feel like their perspectives are included in company decision-making? Do BIPOC employees feel respected by their managers? Do LGBTQIA+ professionals feel like they have a voice to offer push back? **Let's find out.**

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Strongly Disagree	10%	26%	17%	21%	18%
Somewhat Disagree	6%	9%	10%	5%	6%
Neutral	16%	9%	12%	5%	18%
Somewhat Agree	51%	35%	44%	69%	46%
Strongly Agree	16%	21%	17%	0%	12%

I can voice a contrary opinion without fear of negative consequences.

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.





Percent Of BIPOC And Women Employees Feel Their Perspective Isn't Valued In Decision-Making



If I feel I'm being treated unfairly, there are safe outlets through which I can deliver feedback or air grievances.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Strongly Disagree	8%	26%	19%	0%	18%
Somewhat Disagree	10%	12%	14%	16%	12%
Neutral	24%	21%	19%	11%	6%
Somewhat Agree	41%	21%	29%	42%	47%
Strongly Agree	16%	21%	20%	32%	18%

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.

Management demonstrates a commitment to supporting and meeting the unique needs of all employees.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Strongly Disagree	6%	18%	14%	0%	12%
Somewhat Disagree	12%	26%	20%	21%	18%
Neutral	33%	15%	27%	26%	18%
Somewhat Agree	33%	18%	24%	26%	35%
Strongly Agree	16%	24%	15%	26%	18%

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.



Perspectives like mine are included in the decision-making at my company.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Strongly Disagree	6%	29%	19%	0%	12%
Somewhat Disagree	20%	9%	19%	21%	18%
Neutral	22%	21%	22%	26%	24%
Somewhat Agree	33%	21%	22%	21%	35%
Strongly Agree	18%	21%	19%	32%	12%

****Note:** Percentages were rounded and therefore may slightly exceed or fall shy of 100%.

SECTION 3

Across the board, BIPOC professionals experience the least amount of overall equity in the workplace; individuals with disabilities and women trail close behind in second and third place respectively. One of the most alarming statistics is that BIPOC talent strongly believes that their perspectives are ignored in decision-making almost five times more than white people.

However, things have improved a bit for BIPOC individuals since 2020. In 2021:

- 8 percent more feel like they can voice a contrary opinion without repercussions
- 8 percent more strongly agree that they have safe outlets to air grievances
- 7 percent more strongly agree that management supports the unique needs of all employees



Inclusion in Tech

Inclusion is the final piece of the puzzle to create a fulfilling workplace for people of all backgrounds. It's often the most delicate of the three because it deals with the idea of feeling like an outsider — something no one wants to experience.

Below, we explore what inclusion means before showcasing data on how many tech employees today feel the warmth of inclusion — or the iciness of exclusion.



SECTION 4 What is Inclusion?

Inclusion is the sense of belonging employees feel in any given environment. In the workplace, it means that as employees do what they were hired to do, they also feel safe to be their most authentic selves and they're accepted now matter what. It can also mean that employees feel a sense of connection to their colleagues who may, or may not, come from similar backgrounds.

The more diverse an organization gets, the more important inclusion becomes. And inclusivity is crucial not only for diversity efforts to succeed, but to create an inclusive culture that's beneficial for both employee engagement and productivity. In fact, 73 percent of respondents working in tech said it's very important that they feel a sense of belonging at their employer — a number that jumps to 89 percent when looking at members of the LGBTQIA+ community specifically.

Inclusion in the workplace is all about understanding and respect and without it, employees can feel alienated and undervalued. Let's take a look at some data that highlights how much or little employees feel a sense of inclusion in their workplaces today.

Percent Of Employees Who Said It's Very Important They Feel A Sense Of Belonging At Their Employer





Belonging Could Be Better, And Worse

Overall, BIPOC talent (33 percent) and women (26 percent) disagree that they can be their most authentic selves at work at around double the rate of white people (14 percent.) However, for BIPOC professionals, feeling a sense of belonging has seen a huge jump in the right direction since 2020. During that year, only 8 percent felt a strong sense of belonging and that number quadrupled last year.

Additionally, 9 percent more women strongly agreed that they could be their authentic self last year compared to 2020. Almost three in four individuals with disabilities (70 percent) feel like they can be their true selves, which is the highest of any group and a 10 percent increase from 2020. Similarly, 90 percent of LGBTQIA+ respondents said they feel a sense of belonging, which is incredible.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
l don't feel like I belong at all	4%	18%	14%	0%	6%
l feel as though I somewhat don't belong	16%	21%	17%	5%	24%
Neutral	8%	6%	8%	5%	12%
l feel as though I somewhat belong	45%	24%	39%	53%	35%
l have a strong sense of belonging	27%	33%	22%	37%	24%

Rate your sense of belonging at your employer.

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.



I feel comfortable being my authentic self at work

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Strongly Disagree	6%	24%	14%	0%	12%
Somewhat Disagree	8%	9%	12%	16%	0%
Neutral	20%	9%	15%	16%	18%
Somewhat Agree	45%	26%	36%	42%	41%
Strongly Agree	20%	32%	24%	26%	29%

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.



White Respondents That Don't Feel Comfortable Being Their Authentic Self At Work



Black Respondents That Don't Feel Comfortable Being Their Authentic Self At Work



VS

Feeling Included and Connected To Others

A person's interactions with their peers and leaders can have a huge bearing on their sense of inclusion, which can influence their ability to effectively do their job. How can you ask for help, or lend someone a hand when you don't feel respected by the people around you?

Thankfully, we found that at least 70 percent of all individuals do feel respected and valued by their peers and managers. 88 percent of those with disabilites feel supported at least somewhat and none feel unsupported. BIPOC, non-binary and women employees only feel 10 percent less valued than white people, which is not yet perfect but it is a smaller margin than most comparisons of these three groups. And BIPOC talent strongly agrees that they feel respected 20 percent more than they did in 2020.

Rate your current sense of feeling respected and

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
l don't feel respected and valued at all	0%	12%	7%	0%	0%
l feel somewhat not respected and valued	2%	12%	7%	5%	0%
Neutral	16%	9%	15%	5%	12%
l feel somewhat respected and valued	47%	29%	37%	37%	59%
I have a strong sense of respect and value	35%	38%	34%	53%	29%

valued by your peers and manager.

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.



When examining how comfortable members of certain groups are talking about their backgrounds, **BIPOC individuals are the most reluctant to share their experiences** — 36 percent aren't comfortable compared to an average of 25 percent hesitancy for all other groups in the following chart — which holds true from 2020.

It's not surprising that 84 percent of white people feel comfortable sharing since tech is still majority white and it's easier to connect with individuals from common backgrounds. However, the number of BIPOC people that strongly felt comfortable sharing jumped by 27 percent year-over-year. This may be indicative of the diversity gap shrinking and more companies investing in effective DEI initiatives (more on that to come.)

Rate how comfortable you are talking about your background and cultural experiences with colleagues.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Not Comfortable At All	4%	15%	10%	0%	6%
Somewhat Uncomfortable	12%	21%	19%	26%	12%
Somewhat Comfortable	37%	21%	32%	26%	41%
Very Comfortable	47%	44%	39%	47%	41%

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.



Too Many Have Experienced Discrimination

While inclusivity in tech is improving, many still experience discrimination and unfair treatment in the workplace due to their race, gender, sexual orientation, religion or some other aspect of their identity. In fact, 66 percent of all respondents said they have faced workplace discrimination at some point. And 77 percent said they have witnessed others receive unfair treatment due to their background.

The statistics around witnessing discrimination are even more stark when looking at specific demographics. Almost 95 percent of BIPOC people have seen others discriminated against at one point. And between 85 and 89 percent of women, non-binary and LGBTQIA+ individuals have witnessed others treated poorly because of their backgrounds.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
l have faced workplace discrimination	63%	71%	76%	74%	76%
l have left an employer due to workplace discrimination	61%	41%	42%	53%	41%

*Note: Percentages were rounded and therefore may slightly exceed or fall shy of 100%.

One of the most alarming statistics is the percentage of people that have actually left an employer due to workplace discrimination. And what may be even more surprising is that almost two in three white people — the highest of any group — said they left their employer for this reason. But no matter the demographic, each of these statistics should be at zero percent and anything more is unacceptable.


The DEI Initiatives Companies Are Investing In Most

At a high level, diversity, equity and inclusion has improved to some in a number of ways since 2020. Let's take a look at what employers invested in during that year, and in the time since, which helped spark some positive change in the industry. We'll also look the major factors that helped tech companies adopt new DEI initiatives and compare them to what prevented new initiatives from coming to fruition.



Where DEI Programs Stand in Tech

Unfortunately 35 percent of tech employers report being in the beginning stages of building their DEI programs. This is disappointing given how much progress is still to be made.

And tech professionals agree that improvements are overdue. **30** percent of employees state their companies either don't have any DEI programs in place or they are making a very poor effort.

The tactics a company can use to implement a successful DEI strategy are almost endless. But a company cannot reasonably adopt every strategy, nor should it force itself to. So organizations must experiment with their DEI investments to find an approach that works for them. There's still a long road ahead but based on our evidence, it's clear that progress is being made with the new initiatives organizations put in place since 2020.

30%

Percent Of Employees Who Say Their Employer Has Poor Or Non-Existent Dei Efforts

Let's take a look at some of the most popular DEI investments of 2021 and what to expect in 2022.





Looking Deeper at 2022 and Beyond

In the next few pages, we'll take a look at some of the additional initiatives employers plan on investing in over the next year and why they are impactful.

DEI-Driven Events

Prior to 2021, only 24 percent of tech companies invested in DEI-driven events whereas 49 percent of tech companies are planning to host them in 2022, which is a 25 percent jump. Building internal DEI events helps educate and engage a company's workforce. Tech companies can start investing in this tactic by hiring a guest speaker for a lunch and learn or partnering with their DEI employee resource group to plan an event.

Diversity Manifesto/Commitment

In 2022, 43 percent of companies plan to invest in constructing a company diversity manifesto. This is a 24 percent increase from the previous year when only 19 percent of companies implemented one. This declaration of what diversity means, why it's important and how a company will get to where it needs to be is a great way for a company to hold itself accountable. It also allows team members and candidates to see how diversity is rooted within the organization.





Employee Resource Groups

Only 25 percent of companies invested in a employee resource groups prior to 2021. Thankfully, that's not the case in 2022: 44 percent of technology employers are developing a DEI employee resource group within their organizations. A DEI ERG is a great tactic for fostering a more inclusive workplace and offers a chance for employees to have a say in a DEI strategy.

Wage Transparency & Equitable Pay

Almost half (47 percent) of employers stated they are focusing on wage transparency in 2022. This is a 17 percent increase from 2020 when only 30 percent of companies were making this investment. A wage transparency program helps close wage gaps and build a more equitable workplace.



Employers Investing In More Wage Transparency In 2022



Increase In Number Of Companies Investing In Wage Transparency Since 2020

DEI Investments Tech Employers Found Successful

It's one thing to understand the importance of investing in a DEI strategy, however, it's much harder to actually implement one successfully.

Determining who should be involved in planning is a key step to a successful DEI strategy. Companies who responded to our survey shared there are often a few different groups involved. The biggest groups are:





The Resources Behind Successful and Failed Implementation

Tech employers also need plenty of resources at their disposal to support a strategic DEI plan. Without resources, a DEI strategy is likely to fail. Here's a look at the resources that allowed employers to successfully implement their plans in 2021:

Budget

More than a quarter (26 percent) of companies identified budget as a key resource that helped them successfully implement their planned DEI initiatives in 2021. Conversely, a lack of budget was also the reason that 20 percent of organizations didn't achieve the DEI initiatives they planned.

The lack of budget could be tied to the fact that 16 percent of employers said they failed to adopt new DEI initiatives because of a lack of stakeholder buy-in. In most cases, leaders are the ones determining budgets so if buy-in isn't there, the budget likely won't be either.

Not having a budget doesn't mean companies can't put DEI programs into place, however it quickly reduces the number of tactics they can adopt. To be successful, tech employers need to have a budget set aside to support their DEI strategy. They must also always ensure leaders are in agreement with the plan.



Dedicated DEI Staff

While just 12 percent of companies attributed the success of implementing their intended DEI initiatives to having dedicated DEI staff, **not having a dedicated diversity team kept 28 percent of companies from achieving goals.**

Even more interesting is the biggest factor for not meeting DEI initiatives in 2021 was a lack of time (at 39 percent of companies.) It seems that companies don't realize just how much hiring dedicated DEI staff helps keep an employer on track with their DEI strategy.

Company-Wide Support

Four of the top six factors contributing to a company successfully fulfilling its DEI initiatives dealt with buy-in and alignment:





And as we already discussed, if stakeholders aren't bought-into a company's DEI strategy success will be hindered.

Whether a company has dedicated DEI staff or not, the entire organization needs to be aligned and bought-in for a business to truly be successful with DEI. True change does not happen alone but as an organization and an industry.



What Matters Most to Employees and Candidates

In today's fiercely competitive labor market, talent retention and acquisition should be a tech company's north star. Organizations must listen to what employees and candidates want and take action on these needs. And it's clear that DEI is a factor in keeping employees around today more than ever. Let's dive into the DEI strategies that tech talent values the most.



The Employee Perspective

More than two in three (67 percent) of employees said they would be more inclined to stay in their current role if their employer improved its DEI efforts, a jump from the 51 percent who indicated this in 2020. This number rose to 84 percent for employees who identify as LGBTQIA+.

When asked what specific DEI initiatives would keep them engaged with their existing company, they said:

DEI initiatives would keep employees engaged with their existing company

Wage transparency/equitable pay	·	41%
Intentionally sourcing diverse candidates	s 22%	
Robust DEI training programs	—————————————————————————————————————	
Inclusion tactics	———— 17 %	
Flexible work opportunities	———— 17 %	
Reporting on DEI metrics	———— 17 %	



Another huge factor that contributes to retention is how much diversity employees see in the overall team. As evidenced in the chart below, at least one in three employees has left a job because the team was not diverse enough.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
I have left an employer due to a lack of diversity in the overall team	35%	38%	42%	68%	35%

What Candidates What

While a company's existing workforce should always be top of mind when building out a DEI program, candidates should be priority as well. **Job seekers value an employer's effort to create a truly diverse, equitable and inclusive workplace** — **58 percent said DEI initiatives are very important to them when considering a job opportunity.** For BIPOC, this number jumps to 61 percent.

Percent Of Job Seekers That Said DEI Initiatives Are Very Important To Them When Considering A Job Opportunity





Here are some of the DEI initiatives candidates seek out most when looking for a job:

Wage transparency/equitable pay	66%
Intentionally sourcing diverse candidates	40 %
Inclusion tactics	- 27 %
Transparent about employee demographics	— 35 %
Anti-harassment/anti-discrimination training	— 27 %



The Gender Pay Gap

Breaking down the top consideration even further, **68 percent of women consider wage transparency/equitable pay the most when looking for jobs.** With the current pace to close the gender pay gap globally at <u>130+ years</u>, it stands sound that women care most about wage transparency since it's been proven to shrink that massive gap.

A Much Needed Break From the Office

Four of the top six factors contributing to a company successfully fulfilling its DEI initiatives dealt with buy-in and alignment:

Another top consideration for many candidates is flexible work opportunities, which 62 percent of professionals said is key in their job search. While its convenience and flexibility provide a lot of appeal, it's been shown to offer employees a break from harassment and microaggressions may sometimes face in an office environment, and this <u>Washington Post article</u> breaks down this notion further.

Percent Of Women That Prioritize Wage Transparency/Equitable Pay In Their Job Search





Diversity Metrics

More than half (57 percent) of candidates report seeking a potential employer's diversity metrics before making an employment decision.

Another 20 percent said they sometimes seek this information out. In light of this, it's no surprise that 25 percent of tech professionals look for organizations that actively report on their DEI metrics. Candidates want to know that they will be working with a diverse team at an organization that holds DEI as a pillar.

Candidates not only look for DEI initiatives within the job search, but also throughout the interview process. Just over half (53 percent) said having a diverse interview panel is very important in their consideration to take a job. This becomes much more important for BIPOC candidates, with 75 percent noting its importance.

Authenticity Matters

While it might be tempting to oversell the impact of a DEI program, authenticity does matter and is noticed. Employees and candidates alike can easily tell whether an organization's communications around DEI are true or inflated.



Overselling is not wise. It ends up causing more distrust, concern and disengagement than if a company was simply honest about where they stood with DEI. Companies need to share the potentially harsh truth then hold themselves accountable to improving what's wrong or missing.

My company is authentic when facilitating external communications (e.g. social media, press) around DEI efforts and socially-conscious topics.

	White Respondents	BIPOC Respondents	Women and Non-Binary Respondents	LGBTQIA+ Respondents	Respondents with Disabilities
Strongly Disagree	10%	29%	20%	5%	24%
Somewhat Disagree	20%	6%	14%	16%	12%
Somewhat Agree	37%	32%	37%	26%	41%
Strongly Agree	33%	32%	29%	53%	24%



Candidates and employees alike agree that being transparent, even if the data doesn't look great, is better than making excuses or staying silent.



Conclusion

The long overdue racial reckoning of 2020 sparked a lot of action from employers. Since then, we're pleased to see that more money, time and energy has been spent improving diversity, equity and inclusion at many tech companies.

The data we've shared shows that these efforts moved the needle in improving diversity numbers as well as how comfortable and capable employees from many backgrounds feel in the workplace. But conversely, some metrics got worse. BIPOC employees feeling unfairly compensated has doubled since 2020 and the number of individuals who have faced discrimination is also much higher, demanding the need for immediate action.

So what does this mean? One or two year's worth of work cannot undo decades of exclusionary practices. While things are getting better little by little, improvements will not permeate across every company in the industry without everyone being on board.

DEI investments need to be more widespread across the industry for tangible, holistic change to be felt. Luckily, there's evidence that this is starting to happen. The data we shared this year spurs hope that progress will continue in the years ahead.

Tech employers have a steep mountain of work to do when it comes to diversity, equity and inclusion. They must embrace the continuous climb, as the work is never done. And no member of this industry from the most seasoned board members to interns — should settle until professionals from every walk of life can reach the summit of that mountain and receive a warm welcome there.





Thank You

Built In would like to thank all the respondents who participated in the surveys. We would also like to sincerely thank **you**, the reader, for taking the time to engage with this report. Your commitment to DEI in tech does not go unnoticed and whether you are an employer or a professional, we hope you can tap into these insights to make the world of tech more diverse, equitable and inclusive for all.



United We Tech.

Built In helps tech professionals stay on top of trends and news, expand their networks and carve out futures at companies they believe in.



Let's work together .

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