

# Hiring and Retaining Women in Technology



It is no secret that a gaping gender divide exists in the technology sector. Women make up more than 50% of the U.S. professional workforce, but comprise only a small fraction of the technology sector. This is despite numerous well-documented research studies that indicate that gender equality in the workforce has significant benefits for an organization. The presence of women in an organization and its leadership structure has been proven to increase its operational efficiency and bottom line. While businesses across all industries stand to benefit from gender equality in the workplace, the technology professions have an even greater opportunity to reap the benefits of increased gender diversity. In this paper we will discuss a framework to help promote gender diversity through the hiring and retention of women in across technology fields.

## **The Problem**

Technology occupations rank among the fastest growing in the United States. According to the Bureau of Labor Statistics, the technology sector added approximately 530,000 jobs between 2001 and 2015<sup>[1]</sup>. However, in 2014, women comprised less than 25% of the technology workforce<sup>[2]</sup>. This underrepresentation negatively impacts companies in several ways. First and foremost, representation and participation of women at all levels of the organization can improve overall business efficiencies and profit<sup>[3]</sup>. A University of Chicago 2009 study indicates that gender diversity is associated with increased sales revenue, more customer engagement, greater market share, and greater relative profits<sup>[4]</sup>. The study also reveals that a 3% increase in an organization's revenue coincided with each percentage increase in the organization's gender diversity. Additionally, in 2013, the Harvard Business Review concluded after 30 years of research that women rated higher than men on the top 10 out of 16 traits integral to overall leadership effectiveness<sup>[5]</sup>.

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We exist because we love to do the work. After management consulting for 20+ years at some of the largest consulting companies globally, our partners realized that when it comes to consulting, bigger doesn't always mean better.

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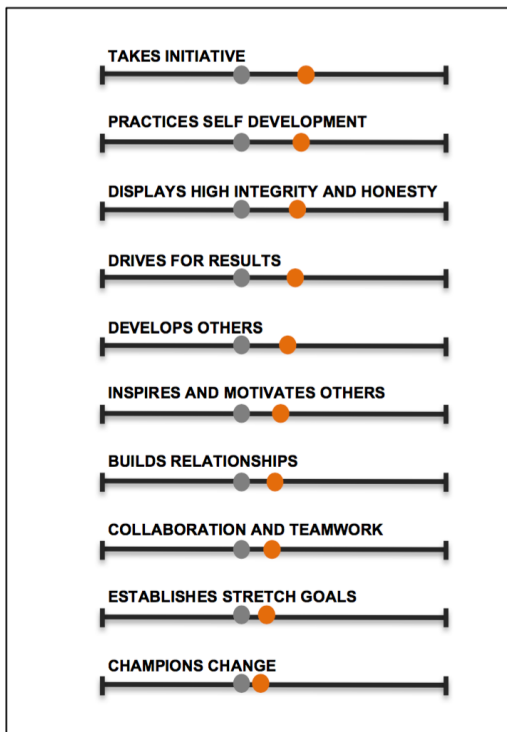
In 2014, women occupied only 34% of all computer systems analyst roles and a mere 13% of architect and engineering roles<sup>[6]</sup>. The U.S. Bureau of Labor Statistics projects that computer and mathematical occupations will add nearly 800,000 new jobs between 2010 and 2020<sup>[7]</sup>. While men presently occupy most positions in the IT field, each new position presents an opportunity to recruit talented and qualified women to fill these new roles and advance the organization.

When recruiting women, an organization must understand the competitive landscape. While 60% of all students earning undergraduate degrees in the U.S. are women, women account for only 13% of computer science college graduates<sup>[8]</sup> <sup>[9]</sup>. Given that all businesses recruit from this same and finite talent pool, any particular company faces intense competition when seeking to hire women. An organization must also recognize that when a company interviews candidates, each candidate likewise interviews the company to determine if the organization is the right environment for them. The presence of technical women in senior- level management positions and mentorship opportunities strongly influences candidate decision-making.

As women make up a smaller portion of the total applicants, men would statistically be selected for open roles more often than women. In order to improve the representation of technical women among new hires, a company needs to implement methods to increase women selected from the applicant pool. The Anita Borg Institute provides a list of 19 suggestions on how companies can adjust their hiring practices<sup>[10]</sup>. We recommend the adoption of the following five practices for technology recruitment efforts:

- Implement blind resume screening to reduce the potential for unconscious bias – when names are removed from resumes, recruiters and hiring managers can focus on skills and experience without being subconsciously influenced by gender.
- Create gender-diverse hiring teams that include technical women during the interview process – the presence of women on hiring teams, committees, and searches is linked to increased likelihood of hiring female candidates.

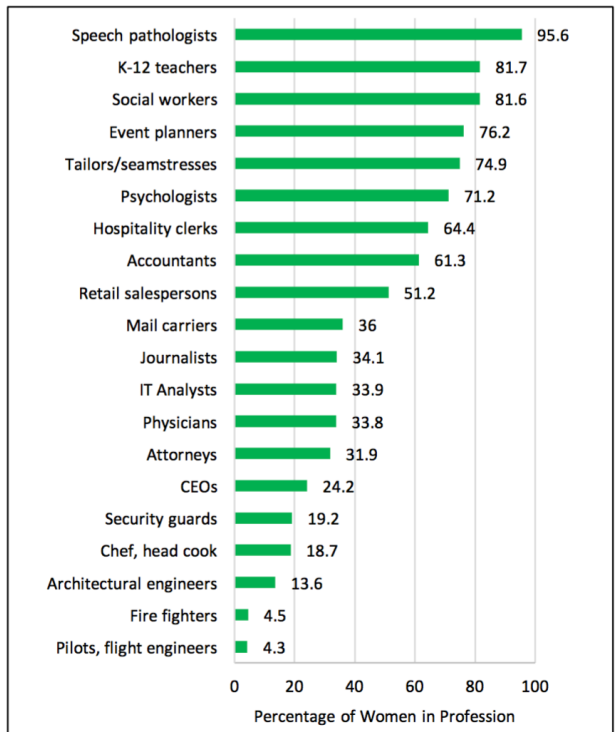
**Figure 1. Top Competencies Effective Leaders Exemplify Most**



● MALE MEAN SCORE ● FEMALE MEAN SCORE

Source: "Women in the Workplace", Harvard Business Review, 2013

**Figure 2 Percentage of Women by Profession**



Source: U.S. Bureau of Labor Statistics

- Set targets to hire technical women – try to hire one woman for every two open roles, as appropriate. This will help build the foundation for future gender parity in your organization.
- Require that every open technical position has a viable female candidate –this practice is already recommended for leadership positions, and it should extend to all levels of your organization. Women cannot be hired if they are not included in the applicant pool.
- Measure and evaluate your efforts to increase the representation of women – it is not enough to simply set targets, but your organization needs to actively measure its progress toward its stated goals, and make adjustments as necessary to achieve them.

The preceding five steps will help in the interview and hiring process, and organizations can make additional changes upstream.

Before posting open positions, organizations should evaluate position descriptions. Instead of writing the position descriptions for the ideal candidate, write the absolute “must haves” for the position<sup>[11]</sup>. Men are more likely to apply for positions even if they do not meet all of the criteria, and women are less likely to apply if they do not meet 100% of the job description<sup>[12]</sup>. By tailoring the position descriptions to only include the essentials for the role, organizations can alleviate female candidate hesitation. Problematically, hiring managers also tend to write position descriptions for people who are like themselves or have similar career experiences as they do. Given that the hiring manager is likely to be male, it perpetuates the difficulty of getting women (with likely more varied backgrounds) into these roles. Including women on hiring teams helps mitigate this unconscious bias.

### **Retention and Promotion**

Once women are employed, a company must make efforts to retain the women that they hire. A McKinsey Quarterly report from 2008 noted an internal study at Hewlett-Packard (HP) that found women will apply for promotions within their company if they think they meet 100% of the position criteria, while men will apply if they think they meet 60% of the promotion requirement<sup>[13]</sup>. Given this evidence for internal moves and promotions, current female staff may not apply for these open roles. Leadership within the organization should seek out qualified women who may be “flying under the radar” and encourage them to apply for leadership positions or nominate them for consideration.

An organization can also retain and promote women through proper succession planning. A company should consider designating a specific number of female candidates, so that when it comes time for promotions or filling open roles, there is a diverse candidate pool. One study of hiring at a high-technology company over a period of 10 years showed that women fared as well as men in their likelihood of being hired once they were in the slate of candidates<sup>[14]</sup>. Proactive succession planning is essential to develop the next generation of women IT leaders if meaningful change is to be achieved.

Beyond succession planning, mentoring is another important aspect of retention. Deloitte has implemented a structured form of mentorship called “sponsorship,” with the goal of increasing the number of women in the pipeline for management and leadership roles<sup>[15]</sup>. In the sponsorship program, not only is mentorship provided, but sponsors are held accountable for the success of their assigned professionals. Sponsorship programs such as these focus on building skills for career management and ownership, and strengthening the professional network of women in the organization.

### **The Benefits**

In each of the last few years, approximately 65,000 women graduated with technical backgrounds and prepared to enter the technology workforce<sup>[16]</sup>. When deciding where to launch their careers, young women look at their future opportunities for professional growth and as well as opportunities for mentorship. These two factors apply with particular relevance in the technology sector. Women in technology identify the lack of mentorship or sponsorship opportunities as a key barrier to their retention and advancement<sup>[17]</sup>. As the authors of an article in the Harvard Business Review highlight, “fewer female leaders means fewer role models and can suggest to young would-be leaders that being a woman is a liability – thus discouraging them from viewing other senior women as credible sources of advice and support”<sup>[18]</sup>. As more young women enter the technology industry, both the women themselves and the whole industry benefit. Companies need to engage both current and future women leaders in technology, and the optimal way to engage both generations in shared goals is through mentoring.

The presence of women in high-level positions, especially in the technology sector, has a significant effect on the presence of women at all levels in the company<sup>[19]</sup>. Sheer numerical representation is not enough to increase women distributed throughout the company. Instead, the chief mechanism of distribution appears to be increased women in power. Despite the success of some organizations

such as Facebook and HP in appointing and retaining women in high-level positions, women still make up a small percentage of overall senior leadership positions in the technology industry. A survey of the 10 largest technology companies in Silicon Valley revealed that the percent of women in senior leadership positions declined from 28% to 26% between 2000 and 2010<sup>[20]</sup>. In a study of Silicon Valley startups, women account for only 4% of senior management positions in technical departments. These numbers illustrate the difficulty of attracting and retaining female talent. A study examining the relationship between the number of women in an organization's management positions and its ability to recruit women in general observed it "may be that what is thought of as a glass ceiling is actually a glass door, which can only be opened by women if other women have opened it previously". Put simply, having female senior leaders in place helps attract more female candidates to an organization.

### Call to Action

Technology companies must recognize that hiring and retaining women can no longer be a target, but is rather a strategic imperative. Gender diversity enriches organizations by broadening employee perspectives, strengthening teams, and makes the organization more productive and profitable. Companies cannot afford complacency when it comes to increasing female representation in their organization. Technology organizations need integrated strategies on the recruitment, retention, and mentoring of women, and this commitment needs to permeate all levels of the organization. Through hiring, developing, and retaining top female candidates, companies can remain competitive in a rapidly developing market. Studies have shown that women beget women – having female leadership in place will lead to more women entering and staying in the organization. By nurturing and developing the women currently in the organization, more women will follow. With a focus on hiring and retention of female leaders, technology organizations will directly increase their value.

#### About the Author



Crystal Cao is a Consultant with Kenny & Company. She is committed to optimizing and improving organization operations through business process to drive efficiency and efficacy. She holds a BA in Government from the University of Texas at Austin and an MBA from the McCombs School of Business at the University of Texas at Austin.

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**Notes**

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