MLT PERSPECTIVES:
Information Gap, Not Pipeline, Behind Low Diversity Numbers in Tech

MLT HAS FOUND THAT AN INFORMATION GAP about technology careers is the major barrier preventing many highly talented underrepresented minorities from pursuing careers in the tech sector. Many minority college students and professionals who express an interest in tech and come from technical or STEM backgrounds state that a lack of information about tech careers and a limited understanding of the right career path for them in tech are keeping them away from pursuing careers in the tech sector.

THE CHALLENGE: SIMPLY STATED

IN A SURVEY AND INTERVIEWS with over 900 Black, Latino and Native American early- to mid-career professionals, MLT found that a lack of information about tech careers is preventing many talented minorities from pursuing careers in the tech sector.

We found this lack of career information to be the driving reason preventing both STEM and non-STEM majors from pursuing careers in tech. Our findings contrast with the widely held assumption that a narrow pipeline of minorities in STEM is the primary driver for low diversity numbers within the tech industry generally, and Silicon Valley in particular. Statistics show that over 20% of science and engineering grads and 21% of Computer Science grads in 2013 in the US are African American, Latino or Native American (per the National Science Foundation, Science Indicators 2016). Yet minorities hold only 6% of tech-related jobs at a dozen of the most prominent tech companies that have released their diversity statistics (Trop and Jones, Fortune 2015). We believe that increasing exposure to and education about tech careers can significantly increase the percentage of minority STEM majors who successfully pursue careers in tech.

MANY UNDERREPRESENTED MINORITIES ARE EXCITED ABOUT TECH, BUT LACK INFORMATION ON TECH CAREERS

WHEN MLT ASKED INDIVIDUALS ALREADY WORKING IN TECH why they chose their current career path, excitement about innovation, the opportunity to shape the future of tech and the ability to reach large numbers of people were common answers. However, we also found a large number of individuals who are excited about tech and interested in tech careers, but are currently working in other industries.
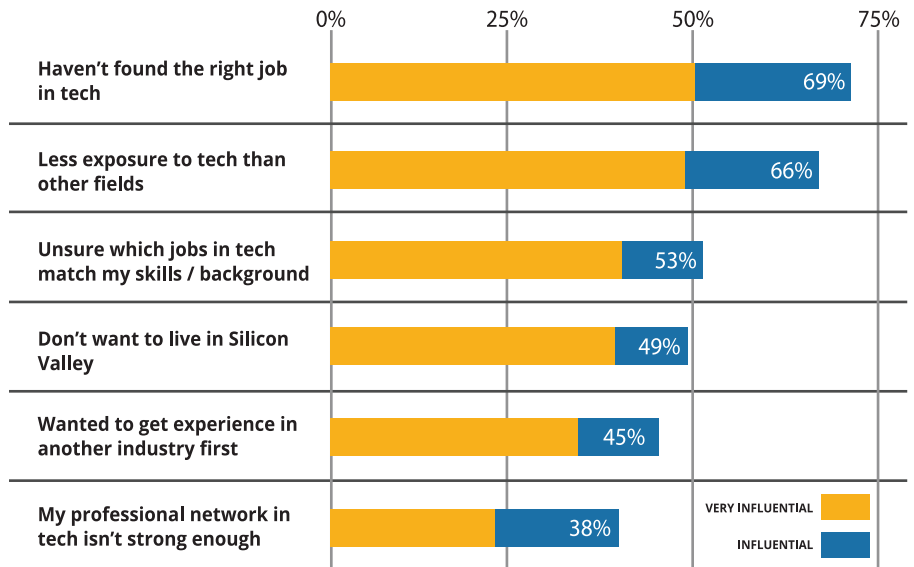
Over 70% of individuals we surveyed expressed at least a moderate interest in working in tech and over 40% said they were very interested. When we asked these individuals why they are not currently working in tech, answers almost always centered around limited exposure to tech careers, lack of understanding which careers were a match for their skills within tech and more limited networks in tech generally and Silicon Valley more specifically.

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> "I think it is harder for minorities to get into tech in general. Most minorities do not have the right connections."

> "I had very little exposure to tech prior to [taking] my full-time role... Had I been exposed earlier, I may have been interested sooner."

WHY MINORITIES INTERESTED IN TECH CAREERS CHOSE OTHER FIELDS

Percent of minority professionals interested in tech but chose other fields who say each of the following factors was influential on their career decision.

Factor	
Haven't found the right job in tech	69%
Less exposure to tech than other fields	66%
Unsure which jobs in tech match my skills / background	53%
Don't want to live in Silicon Valley	49%
Wanted to get experience in another industry first	45%
My professional network in tech isn't strong enough	38%

VERY INFLUENTIAL
INFLUENTIAL

EXTERNAL DATA SUPPORT high-levels of minority interest in tech, including a 2015 study (Henderson, Forbes 2015) that found nearly 40% of minority teens were interested in tech careers and a Pew study (Pew Research Center's Internet & American Life Project, 2012) that showed minorities use social media at higher rates than non-minorities and are more active users.
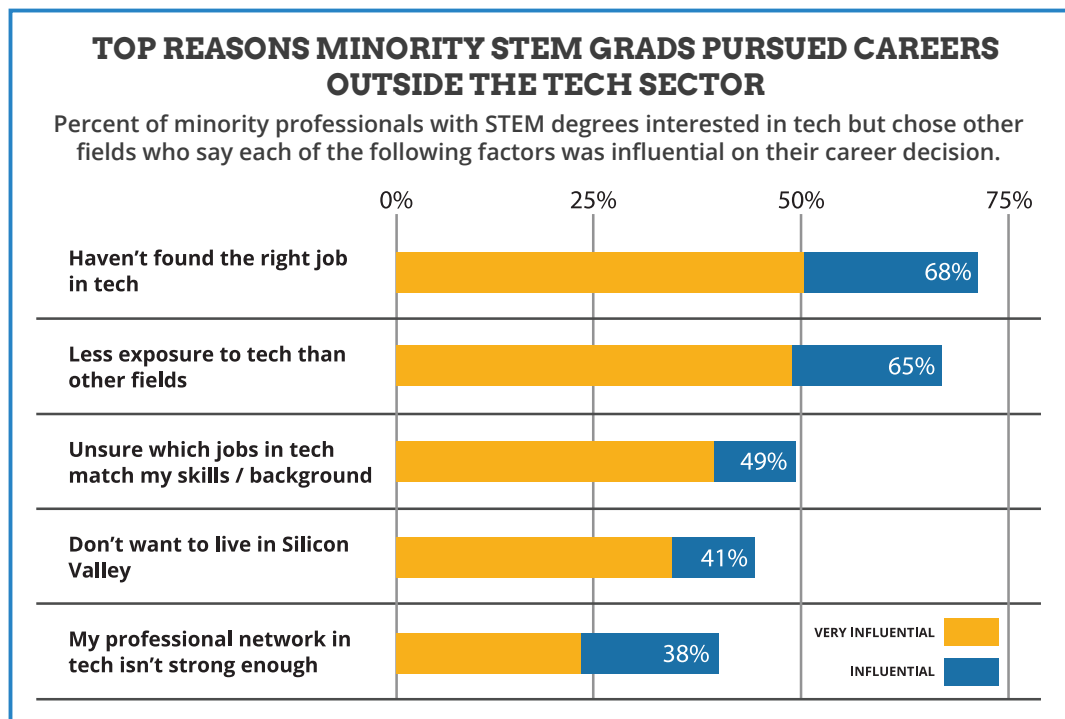
LACK OF INFORMATION ABOUT TECH CAREERS EVEN PERSISTS AMONG STEM GRADUATES

WHEN MLT LOOKED SPECIFICALLY AT STEM GRADUATES who expressed interest in tech but have chosen to work in other industries, our primary finding held. Even minority STEM majors report a lack of information about tech careers prevents them from working in tech.
For example:

- Almost 75% report having had less exposure to tech than other sectors.
  - Over 65% of them cite this as very or extremely influential on their decision to pursue an industry other than tech.
  - Over half said that they weren't sure which jobs in tech are a match for their skills (and over 60% of them said it was very influential on their decision not to pursue tech).

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WHILE LACK OF DESIRE TO LIVE IN SILICON VALLEY WAS A FACTOR for 40% of individuals, our survey found a surprisingly large percentage of individuals ready and willing to move to Silicon Valley. We found that over 60% of individuals living outside of Silicon Valley would be willing to move there for a tech job, a number that was consistent across all parts of the country *(see Appendix for more information).*

TOP REASONS MINORITY STEM GRADS PURSUED CAREERS OUTSIDE THE TECH SECTOR

Percent of minority professionals with STEM degrees interested in tech but chose other fields who say each of the following factors was influential on their career decision.

Haven't found the right job in tech	68%
Less exposure to tech than other fields	65%
Unsure which jobs in tech match my skills / background	49%
Don't want to live in Silicon Valley	41%
My professional network in tech isn't strong enough	38%

VERY INFLUENTIAL
INFLUENTIAL

"I feel as if there are a number of opportunities within tech that I haven't received exposure to. Perhaps, if I had more exposure to [tech] - the skills required to succeed, risk-adjusted returns, a solid network of peers or mentors within the industry - I would work within the space now instead of investment banking."

"I have been interested in working in tech for the past year. I think the most difficult part of working in tech is the absence of a network.... It has always felt like I am getting information in bits and pieces. Small things like what makes a tech resume different from others is information that can be difficult to figure out without the appropriate network.."

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PROVEN SOLUTIONS

HOW CAN TECH COMPANIES, UNDERGRADUATE INSTITUTIONS AND MLT address this information gap to catalyze talented, diverse individuals to pursue careers at tech companies?

MLT was founded to address a similar challenge in 2002. At that time, many minority college students were not aware of career opportunities in business nor how to successfully pursue opportunities in fields like consulting, financial services and marketing. As a result, many talented minorities, whose skills and passions were often better aligned with careers in business, were instead pursuing careers in more familiar fields like law, medicine and government.

Over the past 15 years, MLT and its partner companies (100+ leading firms, including BCG, Goldman Sachs, Procter & Gamble, Citigroup and PepsiCo) built a formal system that has helped more than 6,000 African American, Latino and Native American men and women successfully pursue business careers that align with their passions and gifts. MLT provides talented minorities with career advice, guidance and training that otherwise tend to be passed down via informal channels that tend to be less accessible to underrepresented minorities. Today MLT is the leading source of diverse talent for many leading consulting, financial services and consumer goods companies.

MLT EFFORTS IN TECH: PROMISING EARLY RESULTS

In recent years MLT has expanded its successful business and finance playbook to the tech sector and is seeing similarly strong results. We have partnered with many leading tech companies, including Google, Facebook, LinkedIn and Twitter and have now worked with nearly 1,000 Black, Latino, and Native American young professionals who are currently working in tech. Each year we work with hundreds more talented minorities many of whom are increasingly pursuing tech careers.

In 2016, for example, when MLT admitted a new class of over 300 minority college sophomores, 7% were pursuing a career in tech and 20% indicated they would consider a role in tech. After a year of coaching, curriculum, exposure to tech careers and relationship building with minorities in tech, 40% of the class expressed an interest in tech. That number doubled to 80% following MLT's immersive tech "boot camp", co-hosted with LinkedIn in Silicon Valley in April of 2016. In 2017, when these students finished MLT's program, over 200 of these and other MLT Fellows started careers in tech ranging from college new hires to mid-career individuals switching to tech from other industries.

HOW ORGANIZATIONS CAN HELP CLOSE THE TECH INFORMATION GAP

- When speaking with young people and potential employees, focus on information about jobs, career paths and what it takes to succeed in those career paths, just as much (or more) than information about the company. Young people want to understand which jobs might be a fit for them and what their career might look like. They need to understand what skills and accomplishments they need to demonstrate to be good candidates for those jobs.

- Consider hosting immersive experiences at your company to let young people shadow / simulate working there. In addition to hosting networking receptions and company overview presentations, it's important to show minority young people what jobs are actually like and what skills they require. MLT hosts half-day and day-long "boot camps" with our partners, which provide such experiences.

- Visit a broader group of college campuses and heavily recruit both STEM and non-STEM students when you do go to campus.

- Share information about both technical and non-technical roles. Consider answering some of the following questions:

  - What is Digital Marketing all about? Revenue Operations? BizOps? In addition to Product Management and Engineering.

  - What skills do you look for in different roles? What experiences or accomplishments can prospective employees build to demonstrate they have these skills?

  - Going beyond the requirements on a job description, what are the things that truly separate the candidates who get an offer from those who interview, but don't receive an offer?

- Develop diverse peers, role models and success stories. A recent MLT survey (MLT Perspectives, February, 2017) of 400+ minority college sophomores showed:

  - Minority college students who know a minority who has been successful in a particular sector are more likely to be confident they can succeed in that sector and are more likely to pursue a career in that sector.

  - Students are less likely to know a minority who has been successful in tech than in other sectors like finance and consulting

  - Students are about 30% less likely to have reported meeting a minority at a tech event on campus than other sectors like finance and consulting.

- Colleges, universities and graduate schools:

  - Host events and speakers to explain tech careers and show how individuals from various backgrounds and with many skill-sets can succeed in tech careers. It's important that speakers come from diverse life and educational backgrounds and explain how their skills and experiences benefit them in their tech career.

  - Ensure freshman and sophomores are included in outreach efforts to allow them to select the right classes (STEM or non-STEM) before it's too late.
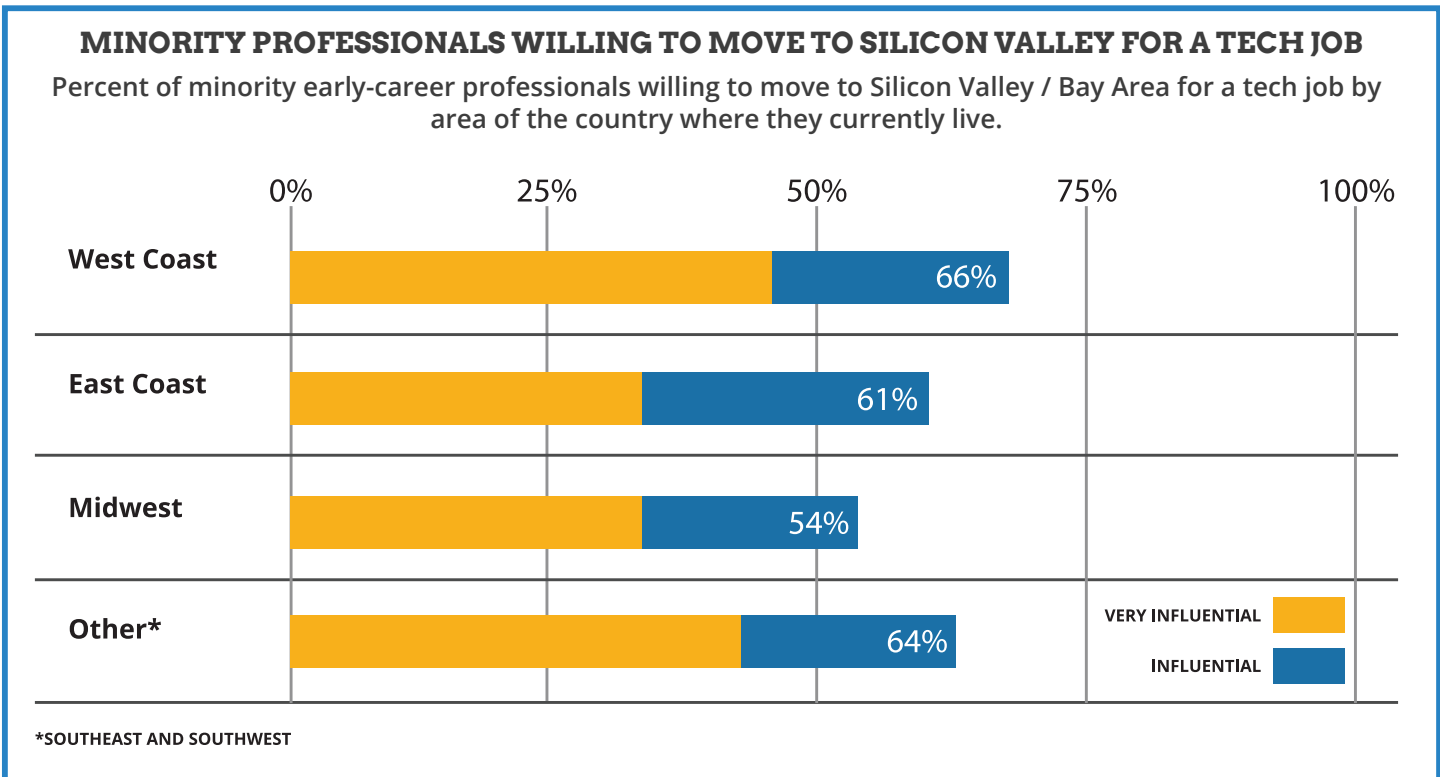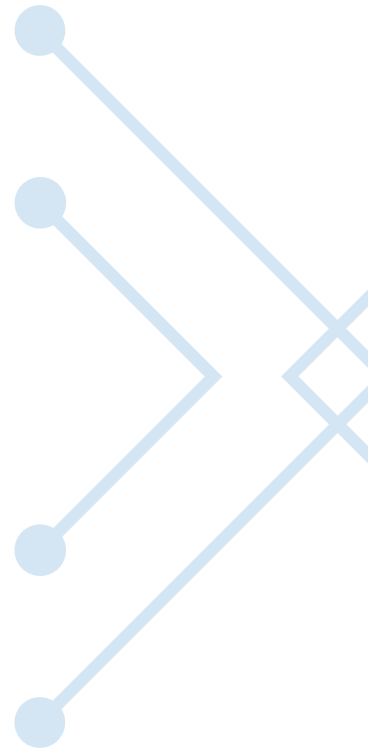
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APPENDIX

MINORITIES FROM EAST COAST SCHOOLS ARE EQUALLY INTERESTED IN TECH AND JUST AS WILLING TO MOVE TO SILICON VALLEY

Graduates from East Coast and Midwest schools work in the Bay Area in lower numbers than West Coast grads. **Interestingly they are just as willing to move to the Bay Area.** In addition to the universal challenge inherent in the Bay area's cost of living, *initially* it is limited networks and lack of exposure to Silicon Valley companies that keep minorities from the East Coast and Midwest out of the Bay Area.
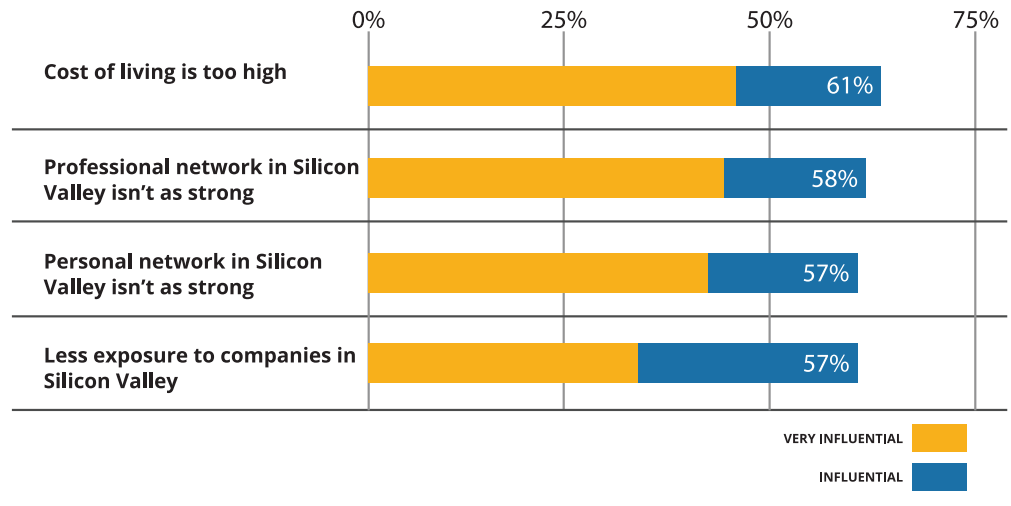
However once minorities come to the Bay Area, they find that they're able to develop their networks fairly quickly.

• Less than 20% of minorities who work in tech and live in the Bay Area reported having a strong professional network in the Bay Area before moving there, but over 60% of individuals say they now have a strong network there.

• 75% say that they get networking opportunities in the Bay Area they would not have gotten working somewhere else.

MINORITY PROFESSIONALS WILLING TO MOVE TO SILICON VALLEY FOR A TECH JOB

Percent of minority early-career professionals willing to move to Silicon Valley / Bay Area for a tech job by area of the country where they currently live.

West Coast	66%
East Coast	61%
Midwest	54%
Other*	64%

VERY INFLUENTIAL

INFLUENTIAL

*SOUTHEAST AND SOUTHWEST

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WHY MINORITY STEM GRADS WORKING IN TECH CHOSE <u>NOT</u> TO WORK IN SILICON VALLEY

Percent of minority STEM grads working in the tech sector said the following factors influenced their decision not to work in Silicon Valley.

Cost of living is too high	61%
Professional network in Silicon Valley isn't as strong	58%
Personal network in Silicon Valley isn't as strong	57%
Less exposure to companies in Silicon Valley	57%

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INFLUENTIAL

FOR MORE INFORMATION:

PLEASE CONTACT our partnerships team for more information on becoming an MLT partner to recruit, retain and develop more minority talent for your organization.

For media inquiries, please contact:
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To download this report and other MLT reports go to www.ml4t.org/insights

To hear more from MLT, including to receive future research releases, please sign up for our newsletter at www.ml4t.org.

RESEARCH METHODOLOGY:

MLT's primary data collection method was via a survey answered by minority early- and mid-career professionals in October/November 2016. MLT also conducted interviews with select minority professionals and tech leaders, and relied on its experience having worked with thousands of minority students, early- and mid-career professionals.

About survey respondents:
- 956 respondents
- 32% currently working in tech

Gender
- 50.5% Male
- 49.5% Female

Race / Ethnicity
- 64% Black
- 26% Hispanic / Latino
- 1% Native American
- 9% two or more races

Age
- <20 years old: 1%
- 20 - 24: 13%
- 25 - 29: 27%
- 30 - 34: 38%
- 35 - 39: 19%
- 40+: 3%

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