



Where did you go?

Encouraging female participation within Red Hat, Inc.

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*Project originally submitted for credit in Dr. Brown's Leadership in a Diverse Environment
Fall 2015 course.*



**Organizational
Leadership**

Abstract

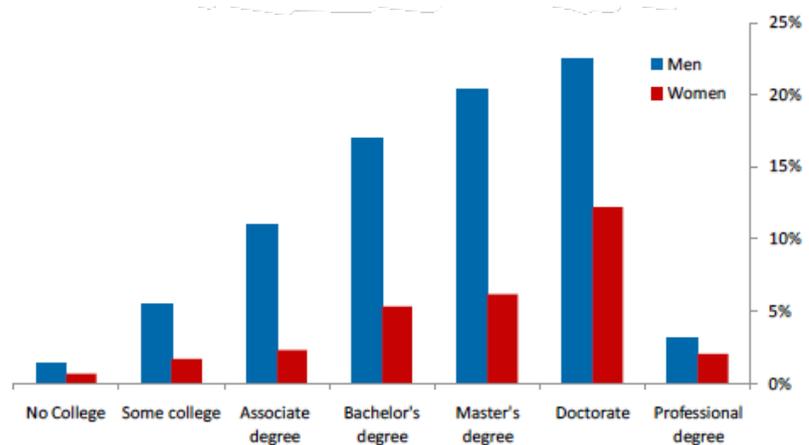
As U.S.-based companies continue to struggle to fill science, engineering and technology (SET) positions with domestic talent, a large portion of the available workforce (women) continues to be underrepresented. This project discusses the strategic advantages of encouraging female workforce participation in SET roles within global technology companies. Three publicly traded companies – Netflix, Facebook and Red Hat, Inc. – are compared utilizing self-reported diversity numbers to see the varying levels of women in those workplaces. The diversity policies and benefits programs of these three companies are discussed as well as available corporate statements regarding workforce diversity policies. Finally, utilizing information from programs proven to increase women’s participation and retention within SET roles, suggestions are provided, namely sponsorship of women in the workplace.

Introduction

As U.S.-based companies look to fill science, engineering and technology (SET) positions with domestic talent, women increasingly represent a potential powerhouse in the workforce. The labor force of the 21st century is increasingly diverse; the United States Department of Labor (2010) states “Women are projected to account for 51 percent of the increase in total labor force growth between 2008 and 2018.” The American Association of University Women (2010) notes that, while women make up nearly half of the available workforce, they’re severely underrepresented in science, technology, engineering and mathematics (STEM) careers – making female talent a major resource for companies both now and in the future.

There may be other effects created by an underrepresentation of women in the workforce. In late 2014, Glassdoor performed an analysis of the top 25 tech companies from which it concluded there continues to be a pay gap in the tech industry (Glassdoor Team). Perhaps more interesting is the

Share of Workers in STEM by Gender and Educational Attainment, 2009



Source: ESA calculations from American Community Survey public-use microdata.
Note: Professional degrees include medical, dental, veterinary, and law degrees. Estimates are for employed persons age 16 and over.

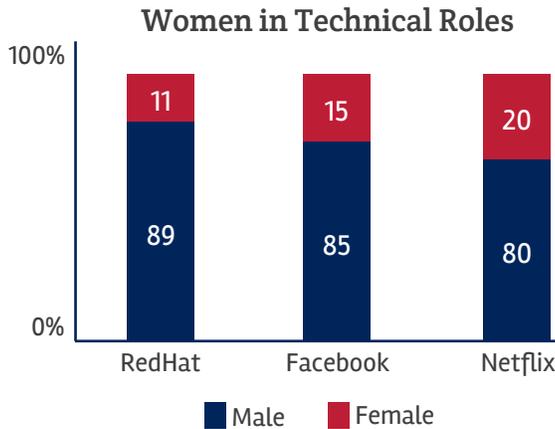
report that, while gender affects pay, it also affects job satisfaction, with women being slightly less satisfied than men. The Center for Talent Innovation provides an executive summary for their research that shows “52 percent of highly qualified women working for SET (Science, Engineering and Technology) companies quit their jobs, driven out by hostile work environments, isolation, extreme work pressures and a lack of clarity surrounding career paths” (Hewlett, Sherbin, Biéudonné, & Fredman, 2014, p. 2.). Therefore, SET companies face a dual challenge: hiring and retaining qualified women.

Red Hat's Efforts

Companies like Red Hat, Inc., an open-source software company, are taking an active role in increasing employee diversity and challenging the status quo. Red Hat has been one of the premier leaders for showcasing and encouraging the adoption of community driven open-source tools and is now making great headway in using that same leadership to address social and diversity issues.

As Red Hat continues its climb into global markets, their approach of creating innovative solutions to complex problems will extend beyond software. Red Hat takes the stance of “The more diverse the better” and hopes that through diversity they can produce innovation (Red Hat Inc, 2014). It’s Red Hat’s goal to increase diversity across the technology industry, as well as within the organization, by leading and supporting a number of programs and initiatives aimed at minority groups. While these programs are having the intended effect within the industry, it’s less clear if the programs are having an effect on diversity within the organization.

In 2015, Red Hat created the Women in Open



Source award, an award aimed at recognizing women’s contributions to open-source development (Red Hat Inc, 2015). By creating this award, Red Hat is making the effort to attract and encourage the growth of the next generation of women in tech. The number of those who are currently within the STEM labor market are aging out and employers are struggling to meet the increasing demand (American Association of University Women, 2010).

Despite such efforts, Red Hat’s diversity numbers fall short of other high-tech organizations, particularly when looking at the distribution of women within tech roles (Red Hat Inc, 2014). In 2014, Red Hat employed over 7,900 employees, but only 22 percent of those were women. Further in-

specification of these numbers shows that women held 13 percent of leadership roles and only 11 percent of leadership roles.

Across the tech industry this is not an entirely out of place result, but other organizations are capitalizing on the available workforce demographic. The question that must be asked is whether Red Hat, Inc., is losing top tier female talent to other

more competitive organizations.

Facebook states that they employ women in 15 percent of their technical positions (Williams, 2014), while Netflix boasts 20 percent (Netflix, 2015). Clearly, these companies are doing something to make working for them attractive to women in the technology fields, so what can Red Hat learn from their employee policies?

Solutions

Part of the underrepresentation of women in tech may be due to the obstacles created by policies that discourage women in the workforce (Bonar, 2012); specifically, the benefits such as maternity leave and career sponsorship.

In many companies, maternity leave is minimal or not offered at all. When this is the case, you create an issue for women's status within an organization. A feeling of "Should we invest in this woman entering the workforce, or will she be leaving or taking a break to pursue parenthood?" exists in organizations lacking a strong policy regarding maternity and flex-time for new parents. If a woman chooses to have a child she must make decisions regarding her work-life balance that limit her opportunities to participate in organization growth, or a reduced participation at home. If she chooses life outside of work, she has stepped out of the career path and temporarily removed herself from the pool of available workers.

This is an area that many major tech industries are tackling head on. Both Facebook and Netflix are gladiators in the arena of corporate benefits. Facebook, as of 2015, grants all employees up to four

months of paid leave for parents of both biological and adoptive children (Gillett, 2015). Netflix offers unlimited paid leave for employees entering into parenthood (Gillett, 2015). By offering these types of programs, companies are not forcing women to choose between a career and motherhood. Instead, corporations are competing and encouraging employees to pursue their personal goals on equal terms with their career and organizational goals. Employees are then free to create a pathway for creating work-life balance while providing the organization with improved productivity, and a higher retention of talent (Heskett, 2004).

These programs not only provide benefits to those women who are interested in having children, they also attract women who are not planning families, as it allows them the flexibility to make that choice in the future. As more companies create these types of policies, organizations that do not provide them will be less competitive, limiting the numbers of female employees they are able to hire in the first place.

Better parental leave policies are only one step towards greater employee retention for women,

but a culture of growth and opportunity for female employees is also required. The Center for Talent Innovation encourages the use of career sponsors for women working within SET fields. The recommendation is backed by impressive numbers on its efficacy showing that women are more likely to have an increased rate of promotion, more likely to have their ideas endorsed and developed, and more than twice as likely to see their ideas implemented. Sponsorship in the workplace has been shown to have lasting effects for the business as well as it increases employee engagement, retention, and also develops and strengthens the talent pipeline (Catalyst, 2011).

Sponsors offer career guidance, which ideally increases the number of women advancing to leadership positions. From there, they can participate actively in shaping corporate policies on gender-based issues. This isn't a universally held idea, as argued in an article for the Seattle University Law Review:

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Although increased minority representation could enhance opportunities for collaboration and support—and thus enable the emergence of different, distinctly “feminine” or “minority” outcomes—other scenarios are also plausible. As minority percentages increase, so may majority

backlash, undermining the minority group's effectiveness (Broome, Conley, & Krawiec, 2013, p. 1080).

While it may be that an increased

minority stake in an organization does not necessarily lead to an increase in opportunities for those in the minority, neither does maintaining the current state of affairs. Organizational stagnation also doesn't answer the question of diminished diversification ratios. By leaving workplace diversity as it is, change is less likely to happen at the management level; but, with more women in position to shape company policies and goals, change can trickle down to all aspects of the organization. This means that any reduction in a minority work force reduces the ability of an organization to hire and retain a diverse set of talent.

Conclusion

As time moves forward, and the pool of available skilled workers continues to shrink, organizations must find new and innovative ways to create opportunities and encourage the largely unreached workforce of women in SET fields. A logical next step for companies like Red Hat is creating and structuring exceptional leave policies and career sponsorships that will make them more inviting to female talent. Red Hat has done an excellent job of setting the stage for women in technology; now the focus must turn to attracting them to become an innovative and participatory part of Red Hat.

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