



# **The State of Diversity, Equity, Inclusion, and Social Impact Among Los Angeles Tech Companies**

**PledgeLA Survey Results 2020**

by the Annenberg Foundation

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**PledgeLA** is a groundbreaking coalition of venture capital firms and tech companies supported by the Annenberg Foundation and Mayor Eric Garcetti that is working to advance access and opportunity for all Angelenos.



# Diversity • Equity • Inclusion • Social Impact • Accountability & Measurement

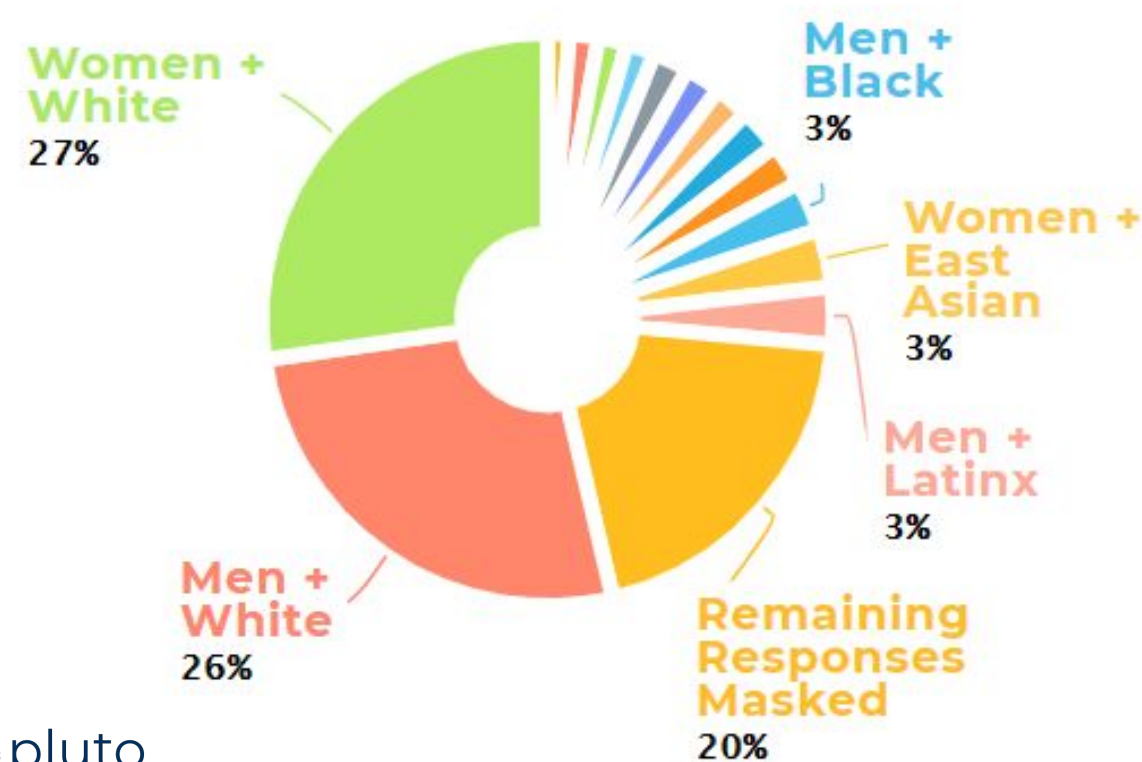
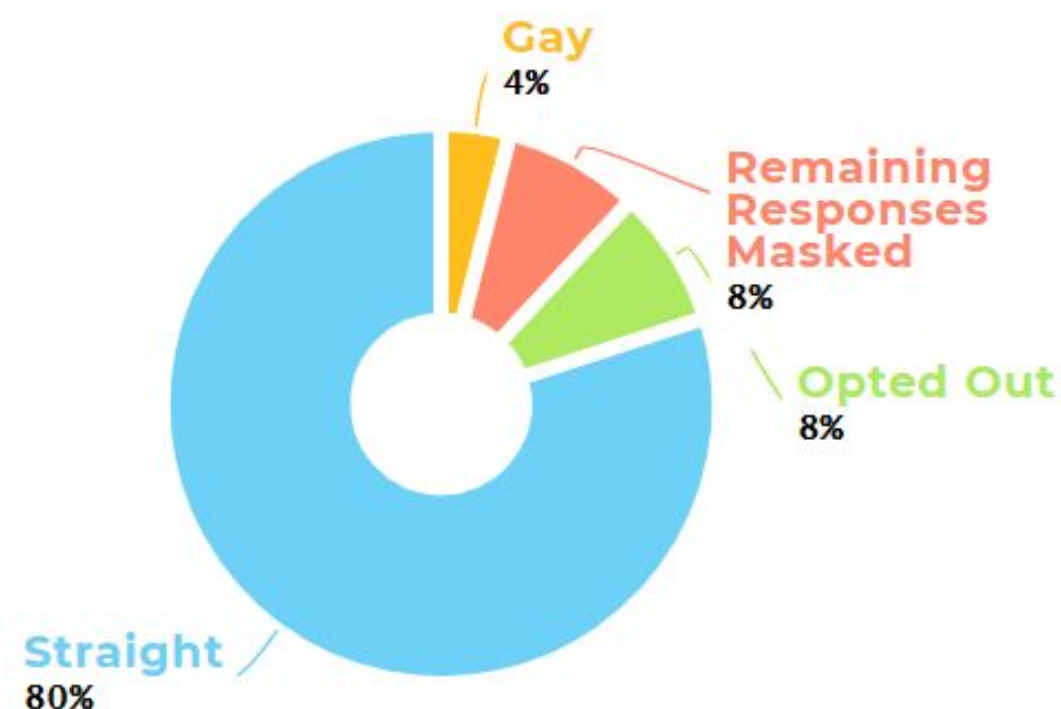
PledgeLA members commit to increasing diversity, equity, inclusion and community engagement within their own organizations, for the benefit of Los Angeles.

To measure change over time and ensure progress, all members commit to participating in an annual survey on these outcomes.

This report reflects the first time self-reported data on a region's tech companies have ever been collected and reported.

PledgeLA was also first to survey a region's venture capital industry in 2019 ([baseline report here](#)). The 2020 VC report, featuring the second year of data collection, is forthcoming.

# Methodology



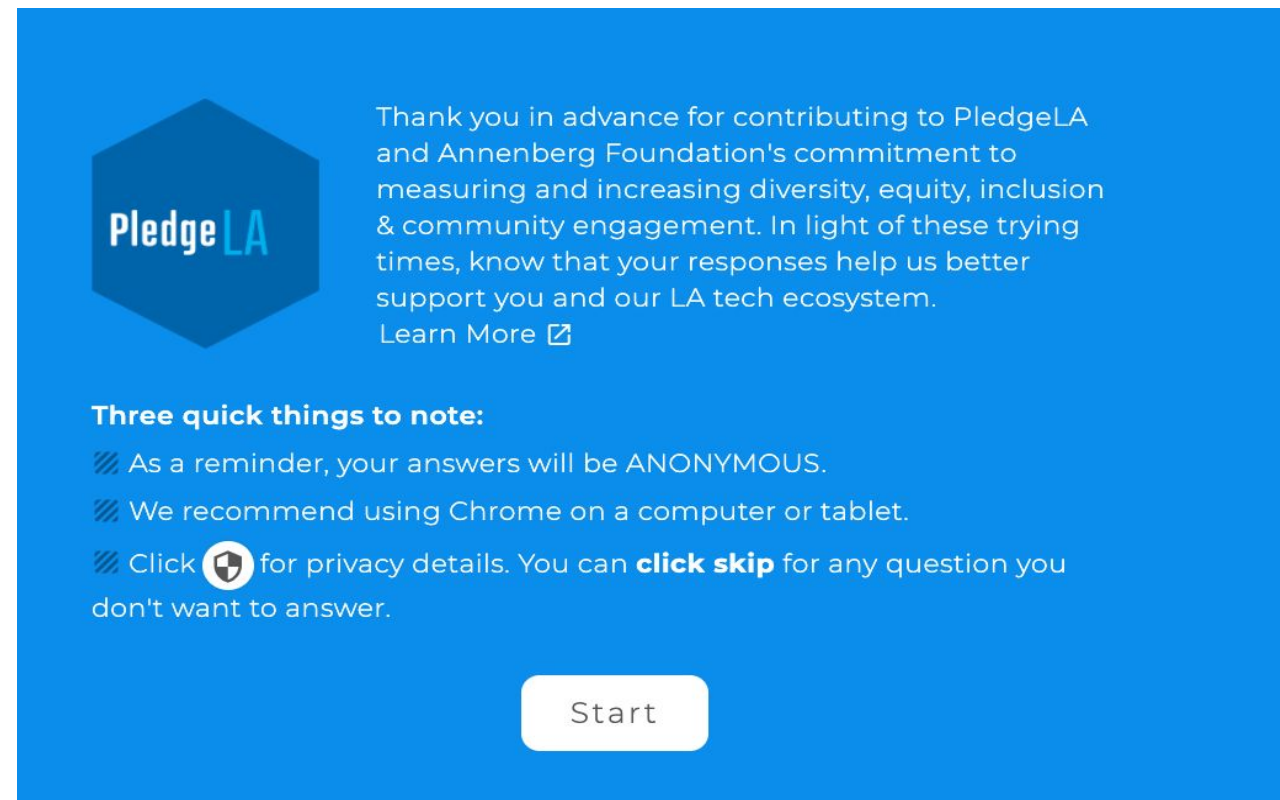
To measure the company culture, demographic composition, pay equity and social impact of its members, PledgeLA used diversity & inclusion data platform [Pluto](#) to survey leaders of venture capital firms, tech companies and their employees.

Pluto offers comprehensive DEI metrics, advanced intersectional analytics within and across companies, and proprietary privacy measures that protect respondent identities regardless of company size.

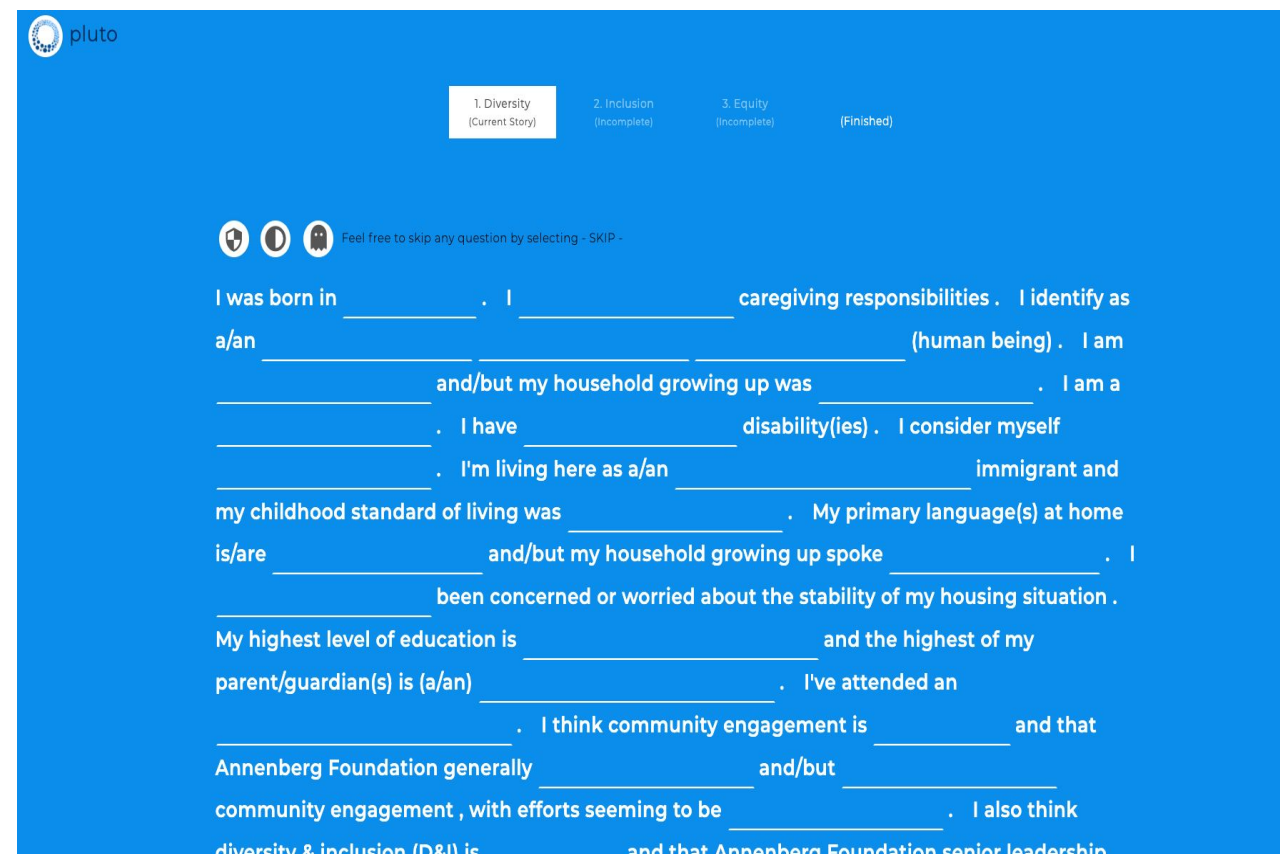
For example, Pluto's analytics require a critical mass of respondents with a certain response to show that response as a distinct category. In the first example chart to the left, categories with many respondents (straight and gay) are visible, but the category bisexual remains masked and combined with other minority responses (in this case, lesbian) to protect employees. Each question could also be skipped, as noted by the "Opted Out" label.

With these protections, company leaders had a personalized dashboard to confidentially view their company's unidentified results in real-time, respond to any anonymous employee comments, and review tailored recommendations for improvement; PledgeLA also had access to aggregate results across all member companies.

# Methodology



The screenshot shows the PledgeLA survey introduction screen. It features the PledgeLA logo on the left. The main text reads: "Thank you in advance for contributing to PledgeLA and Annenberg Foundation's commitment to measuring and increasing diversity, equity, inclusion & community engagement. In light of these trying times, know that your responses help us better support you and our LA tech ecosystem. [Learn More](#)". Below this, under the heading "Three quick things to note:", there are three bullet points: "As a reminder, your answers will be ANONYMOUS.", "We recommend using Chrome on a computer or tablet.", and "Click [skip icon] for privacy details. You can **click skip** for any question you don't want to answer." At the bottom center is a large "Start" button.



The screenshot shows a survey question screen from the PledgeLA survey. At the top left is the "pluto" logo. A progress bar at the top indicates the current section is "1. Diversity (Current Story)", with "2. Inclusion (Incomplete)", "3. Equity (Incomplete)", and "(Finished)" following. Below the progress bar, there are three icons (a shield, a person, and a robot) and the text "Feel free to skip any question by selecting - SKIP -". The main text of the question is: "I was born in \_\_\_\_\_. I \_\_\_\_\_ caregiving responsibilities. I identify as a/an \_\_\_\_\_ (human being). I am \_\_\_\_\_ and/but my household growing up was \_\_\_\_\_. I am a \_\_\_\_\_. I have \_\_\_\_\_ disability(ies). I consider myself \_\_\_\_\_. I'm living here as a/an \_\_\_\_\_ immigrant and my childhood standard of living was \_\_\_\_\_. My primary language(s) at home is/are \_\_\_\_\_ and/but my household growing up spoke \_\_\_\_\_. I \_\_\_\_\_ been concerned or worried about the stability of my housing situation. My highest level of education is \_\_\_\_\_ and the highest of my parent/guardian(s) is (a/an) \_\_\_\_\_. I've attended an \_\_\_\_\_. I think community engagement is \_\_\_\_\_ and that Annenberg Foundation generally \_\_\_\_\_ and/but \_\_\_\_\_ community engagement, with efforts seeming to be \_\_\_\_\_. I also think diversity & inclusion (D&I) is \_\_\_\_\_ and that Annenberg Foundation senior leadership \_\_\_\_\_".

The 20-minute anonymous survey covered over 100 metrics and was taken by more than 500 people across the LA tech ecosystem.

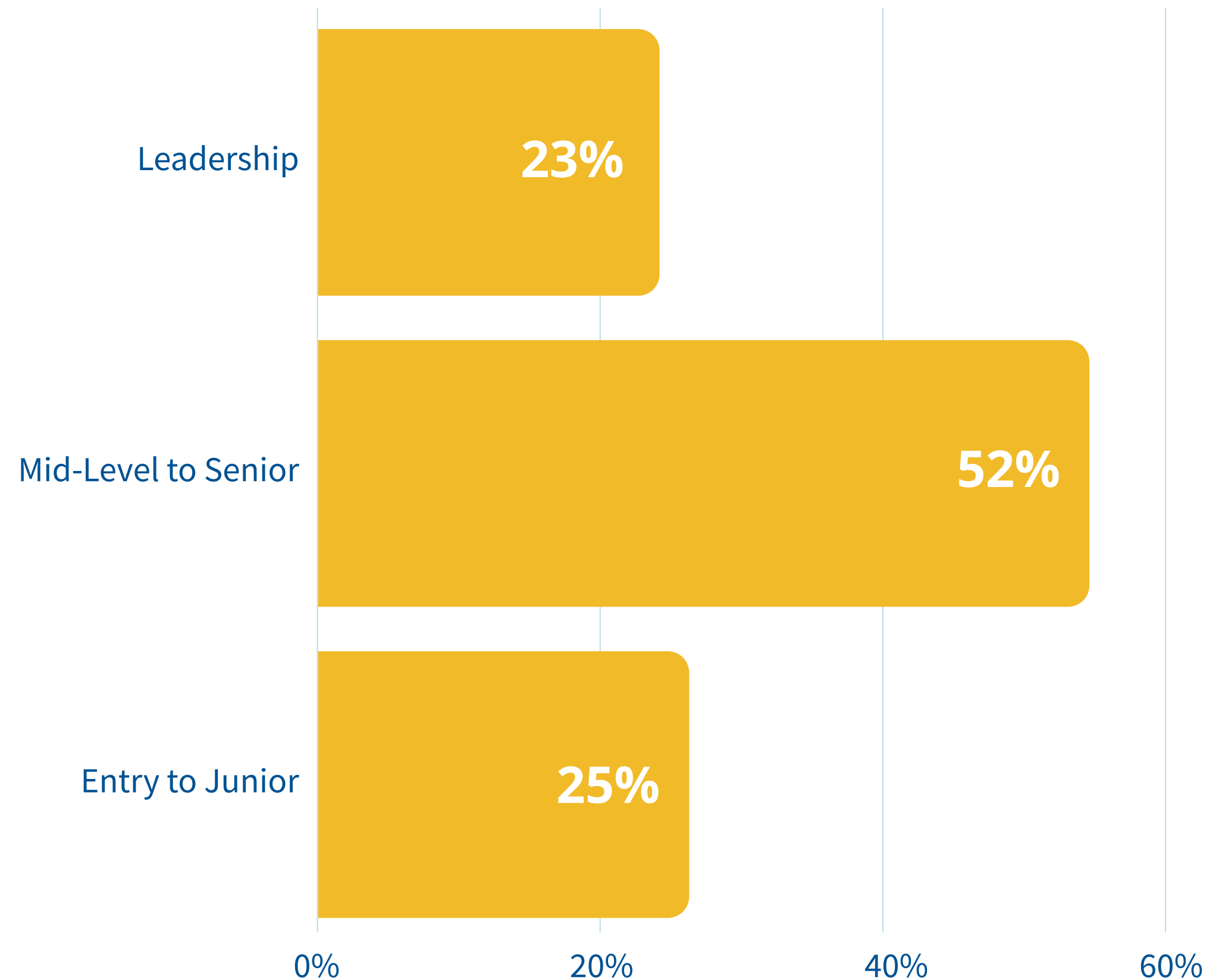
Data were collected between November 2019 and March 2020.

65% of PledgeLA member companies, ranging from 2 to 128 employees, participated in the evaluation as of April 1, 2020.

These following findings represent aggregated results across all participating tech companies and a representative sample of PledgeLA members.

# Methodology

Responses reflect the perspectives of a robust cross-sample of different levels of company leadership: from executives to entry-level employees.



# Core Findings

- Inclusion: PledgeLA companies generally represent inclusive places to work. Workers feel their voices are heard, they can bring their full selves to work, and harassment is uncommon. However, employees dealing with mental health challenges are most likely to report hiding their identity at work.
- Diversity: However, the demographic composition of companies is far from reflecting the diversity of Los Angeles County. Companies over-represent white individuals, people without children, and the highly educated.
- Equity: Employees lack clarity on the fairness of the raise and promotion processes. This uncertainty leads to real consequences -- PledgeLA companies show a gender pay gap larger than the national average ([U.S. Census Bureau, Current Population Survey 2019](#)).
- Social Impact: While workers say they deeply value social impact, their actions suggest otherwise. The vast majority of respondents rarely or never participate in activities like mentoring or volunteering; On average, respondents gave just 0.02% of the median respondent income to a charitable cause in the past 12 months.



**Diversity**

Compared to the LA County population, PledgeLA member companies are significantly more racially homogenous, have fewer caregiving responsibilities and are more highly-educated.

However, a larger share of members identified as LGB+ or reported living with a disability than average County estimates.

Additionally, the economic picture of PledgeLA members is mixed; 68% of them grew up in households where their parents held at least a bachelor's degree. However, 17% report experiencing housing insecurity in the past year.

# Los Angeles County Demographics

**74%**

Non-White

**34%**

Have Children

**5%**

LGBTQ+\*

**51%**

Women

**34%**

Immigration: Foreign-born

**4%**

Veterans

**52%**

≤ Gen X

**68%**

< Bachelor's Degree

**7%**

People with Disabilities\*\*

2019 U.S. Census Population Estimates

\*2015 Gallup U.S. Daily Survey; data on LA region

\*\*Census categorization of disabilities is different from Pluto definition

# PledgeLA Tech Company Demographics

**44%**

Non-White

**17%**

Have Children

**18%**

LGBTQ+

**51%**

Women or Non-Binary

**32%**

Immigration: 2nd  
Generation or Earlier

**1%**

Veterans

**50%**

≤ Gen X

**14%**

< Bachelor's Degree

**25%**

People with Disabilities

all of the above that we didn't see  
in 2019-2020. Only 10% of our  
employees are currently in the  
opt-out/blank responses removed.



# PledgeLA VC Demographics 2019

**45%**

Non-White

**?**

Have Children

**7%**

LGBTQ+

**40%**

Women or Non-Binary

**22%**

Foreign-Born

**1%**

Veterans

**48%**

≤ Gen X

**2%**

< Bachelor's Degree

**10%**

People with Disabilities

opt-out/blank responses removed.

2019 survey did not include question about caregiving responsibilities.

# PledgeLA Tech Company Additional Demographics

**36%**

Hometown: LA

**47%**

Commute to Work  
Above LA average (31 min)\*

**62%**

Parent's Education:  
≥ Bachelor's Degree

**30%**

Prior or Recent  
Housing Insecurity

**27%**

Personality: Introverted

opt-out/blank responses removed.

\*U.S. Census Bureau, American Communities Survey

# PledgeLA VC Additional Demographics 2019

**14%**

Hometown: LA

**78%**

Parent's Education:  
≥ Bachelor's Degree

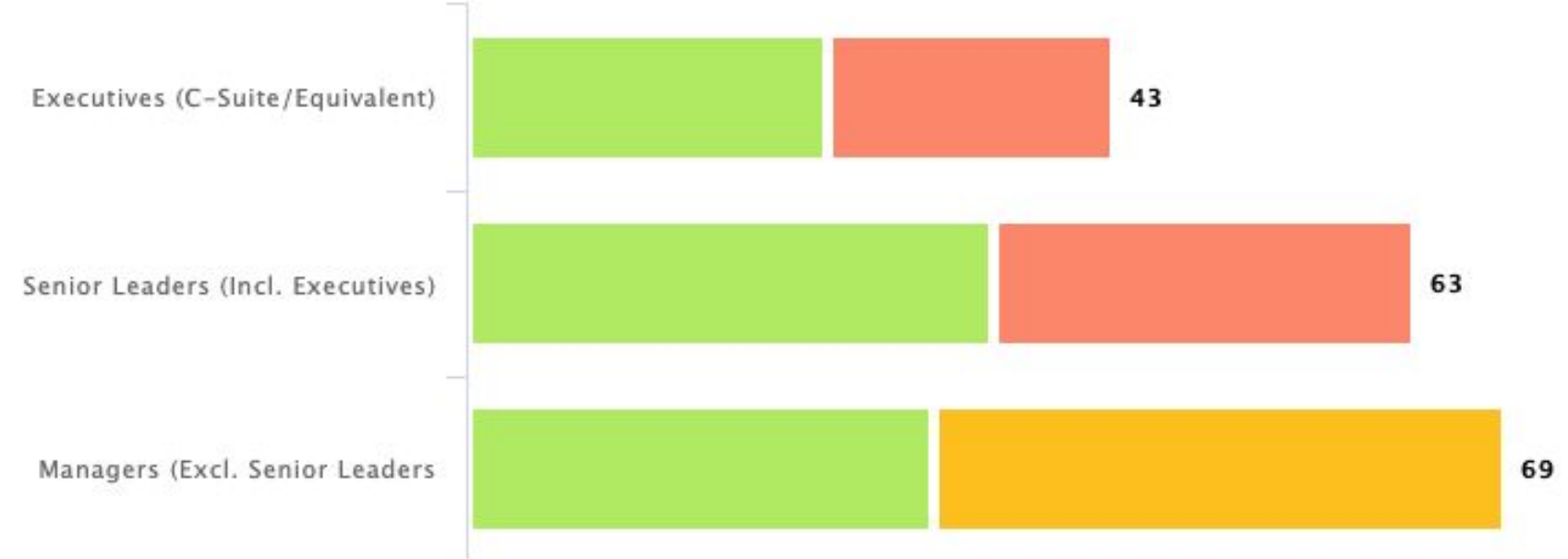
opt-out/blank responses removed.

\*U.S. Census Bureau, American Communities Survey

# LEADERSHIP (MANAGEMENT TO MANAGERS)

BY GENDER ▾

Men Remaining Category Masked\*\* Women



\* Responses masked = all or remaining demographics grouped together for entire chart

\*\* Category masked = all or remaining demographics grouped together for that particular category (i.e., x value)

The leadership of companies slightly over-represents men and white people.

Among senior leaders and executives, men make up 56%; white people make up 48%.



# ***“How does this all stack up to Silicon Valley?”***

Comparisons to other regions are challenging for a few reasons.

First, PledgeLA is the first-ever effort of its kind. No other region collects **self-reported data** on the diversity, equity and inclusion. Popular reports traditionally rely on secondary data-sources, like government records, which traditionally only ask about race and gender. Furthermore, the government has no requirement that these records be released publicly, meaning that companies must elect to release their data. By collecting our own primary data, our survey exceeds others in terms of depth of responses, and its ability to understand identities and experiences traditionally ignored.

The second comparative issue is around place. Commonly, data reported as reflecting “Silicon Valley” is usually done at a company by company level, which often includes employees from other places. Other surveys lack the specificity if the employees reflected really work in that city, or if they are from another region altogether. While we offer the survey to employees outside of Los Angeles, this report reflects responses of employees who live, work and play in the Greater Los Angeles area. Because issues like unemployment, social impact and the talent pipeline are all challenges tied to a particular place, PledgeLA and our members agree that regional specificity is imperative to make change.

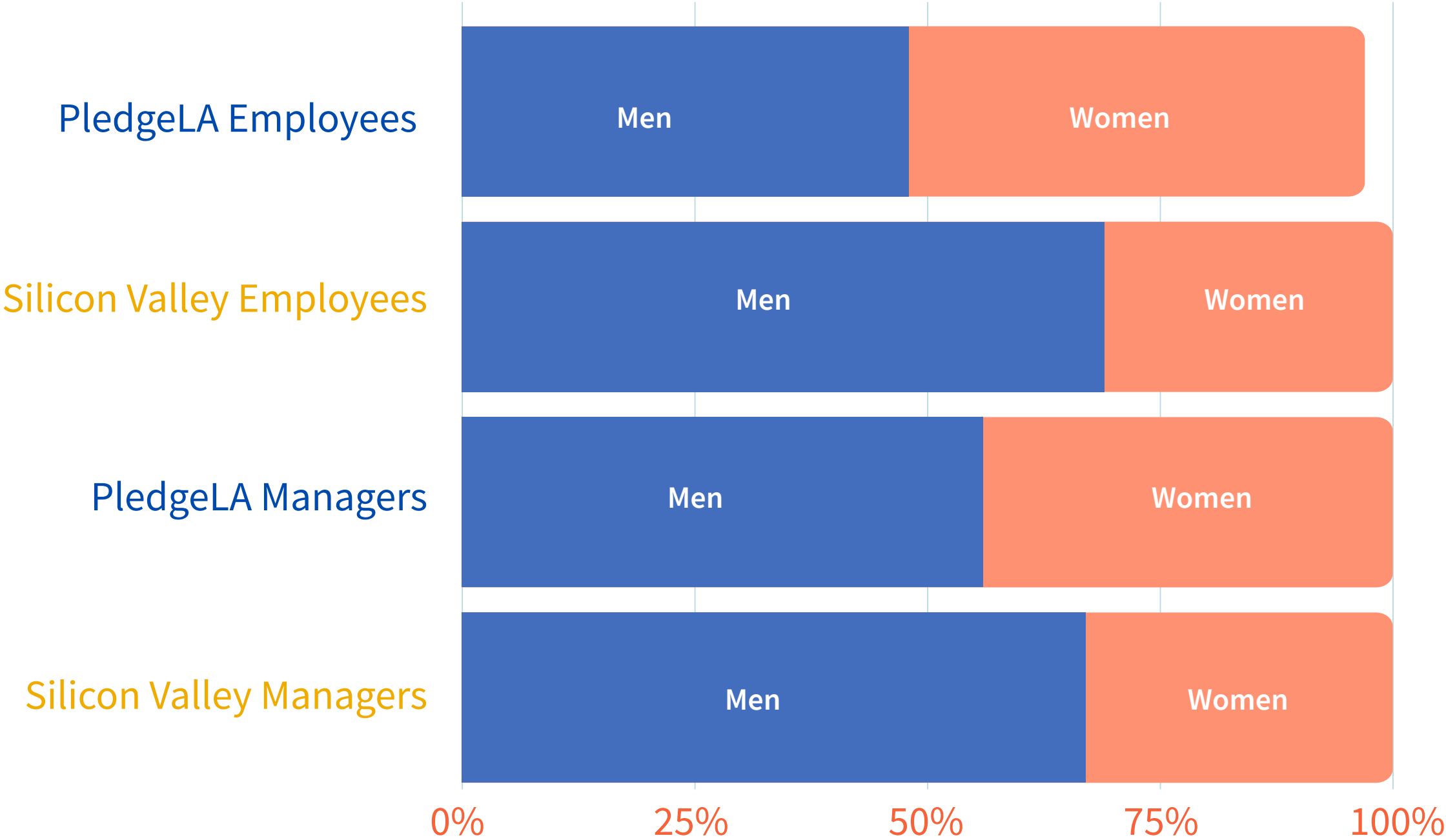
Finally, for various reasons, other reports happen infrequently and often use older data. Because accountability is core to our value system, our data is much newer and more regularly collected.

With that said, we highlight aggregated findings from The [Center of Investigative Reportings 2016 survey of diversity in Silicon Valley](#) as a point of comparison. For the reasons stated above, only data on race and gender were available. Read more about CIR’s data collection challenges [here](#).

# Comparison of Gender Parity: PledgeLA & Silicon Valley

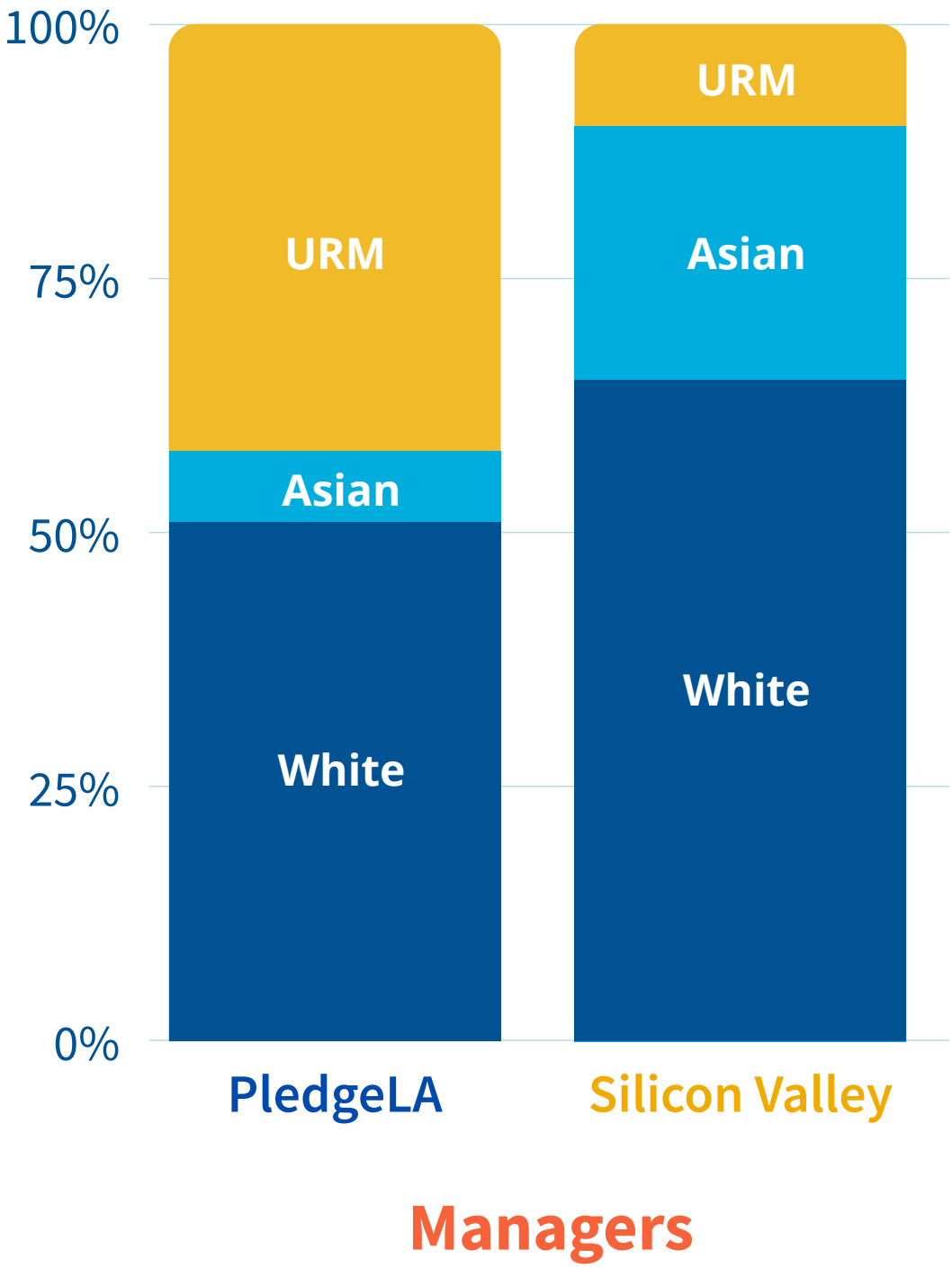
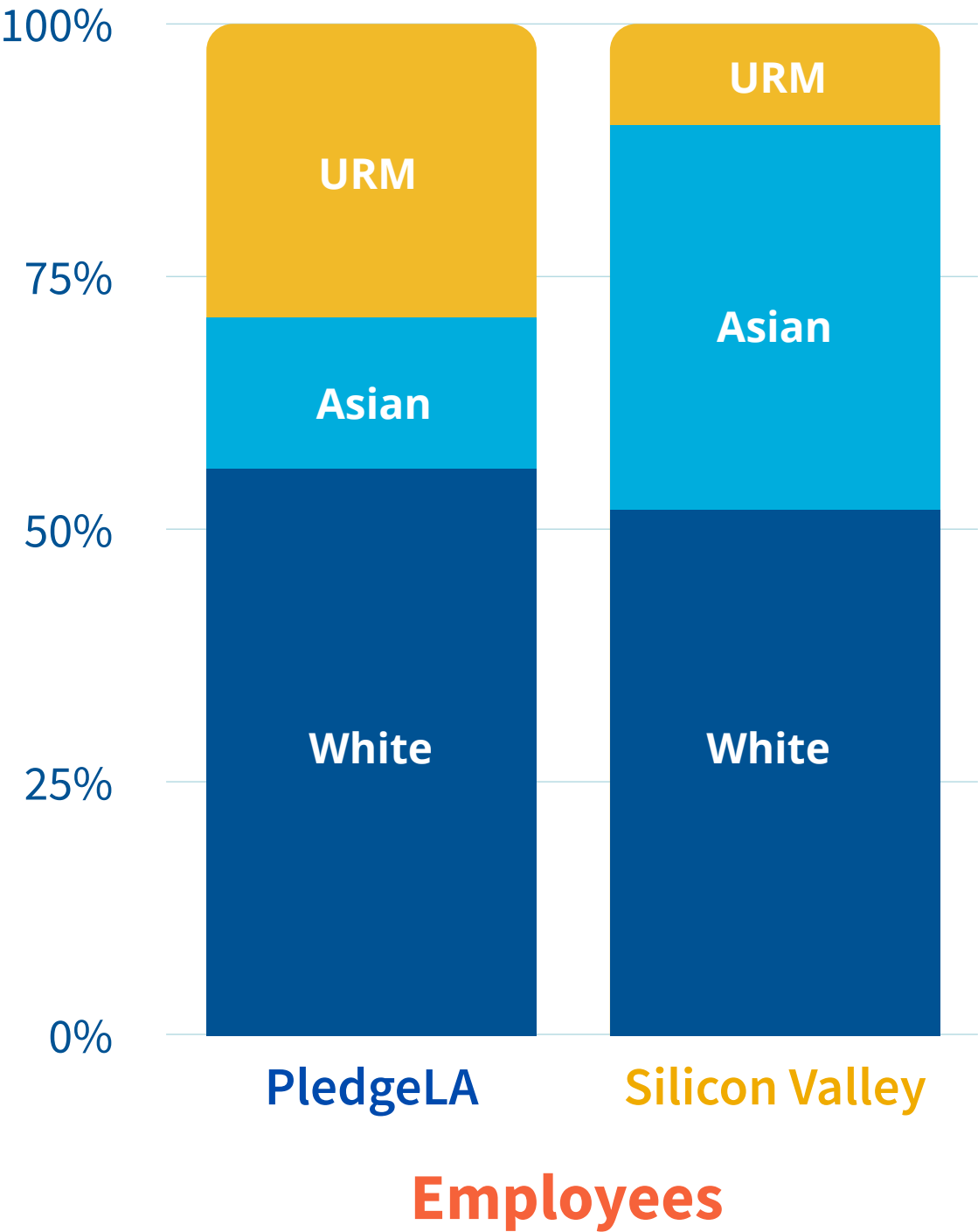
Contrary to the mainstream narrative, Los Angeles tech companies demonstrate virtual gender parity among employees and managers.

Silicon Valley companies, however, are overwhelmingly male-dominated.



CIR data does not include non-binary respondents; for comparison's sake non-binary respondents have been omitted from the PledgeLA bar also.

# Comparison of Racial Parity: PledgeLA & Silicon Valley

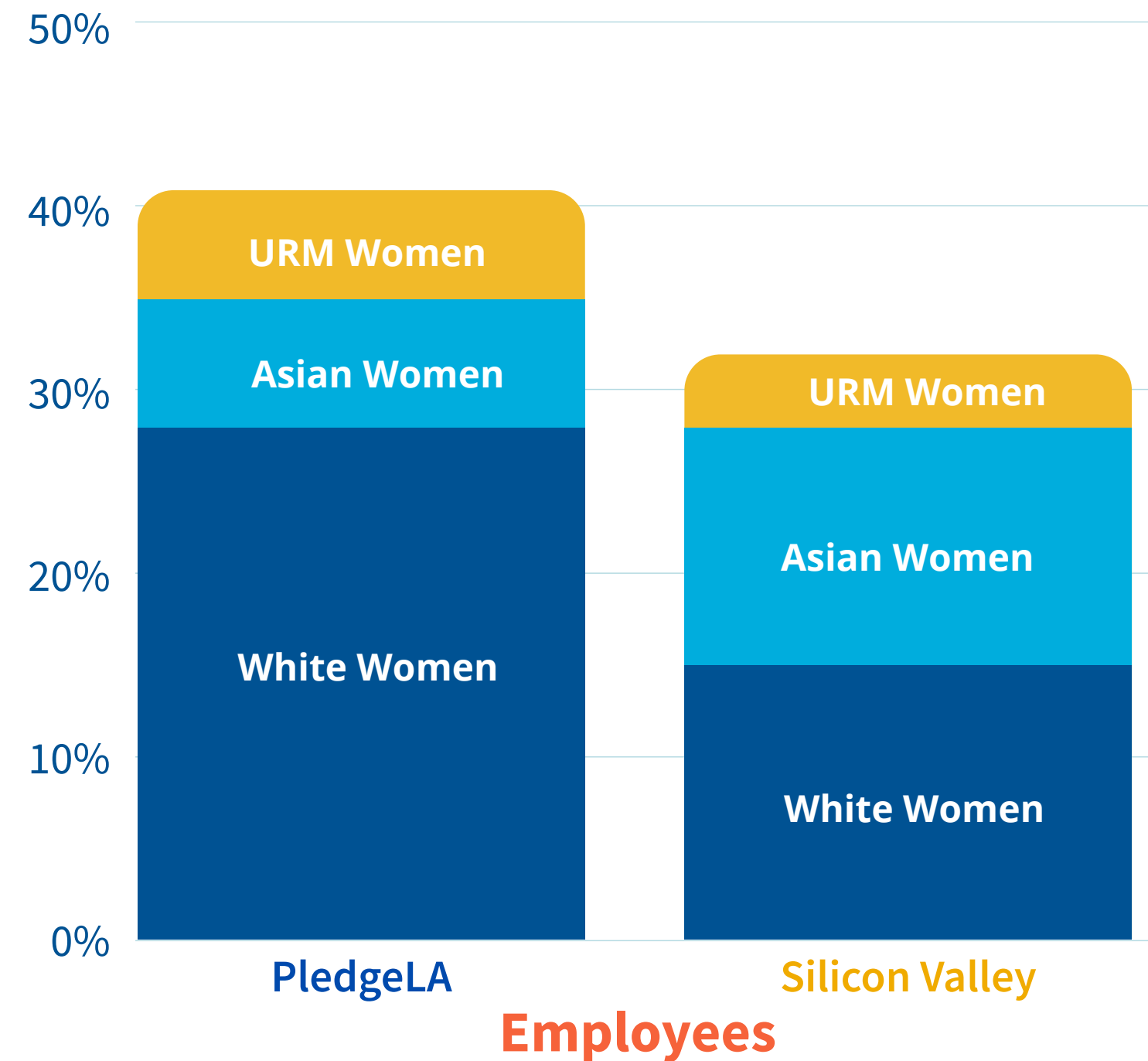


URM, or under-represented minority, refers to individuals who identify as Black/African American, Latinx, Native American, Pacific Islander, or two or more races.

# Representation of Women of Color: PledgeLA & Silicon Valley

PledgeLA has a larger share of under-represented employees and leaders, and URM women compared to Silicon Valley.

As stated earlier, PledgeLA also has more women employees overall.



URM, or under-represented minority, refers to individuals who identify as Black/African American, Latinx, Native American, Pacific Islander, or two or more races.

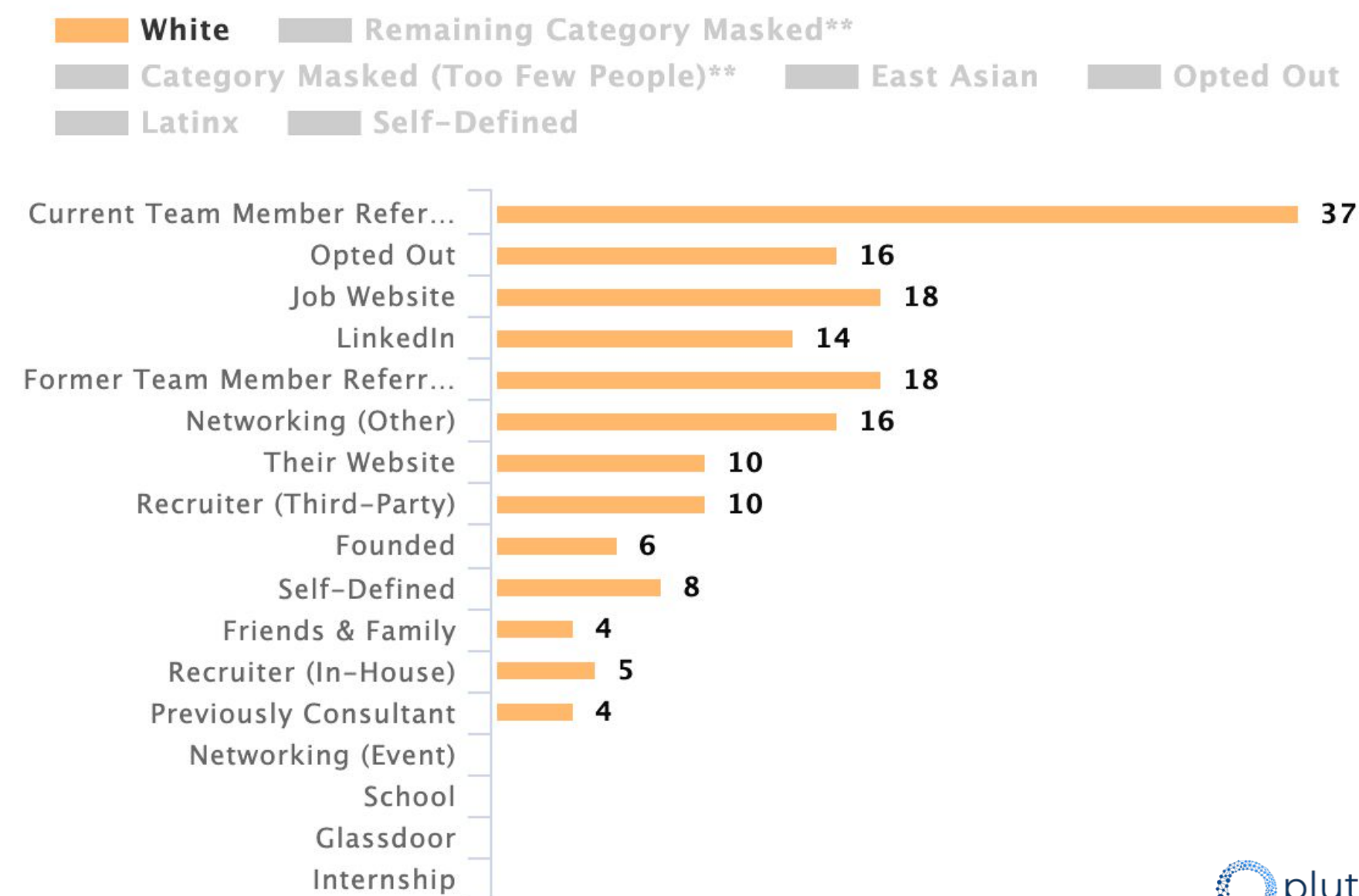


# JOB SOURCE

BY RACE / ETHNICITY ▾

Analysis of the job source, or how employees learned about and applied for their positions, indicate a pattern linked with employees' racial backgrounds.

White employees (shown in yellow) overwhelmingly were referred by a current team member, while non-white employees (shown in purple, blue and red) more often applied through LinkedIn or the company website.

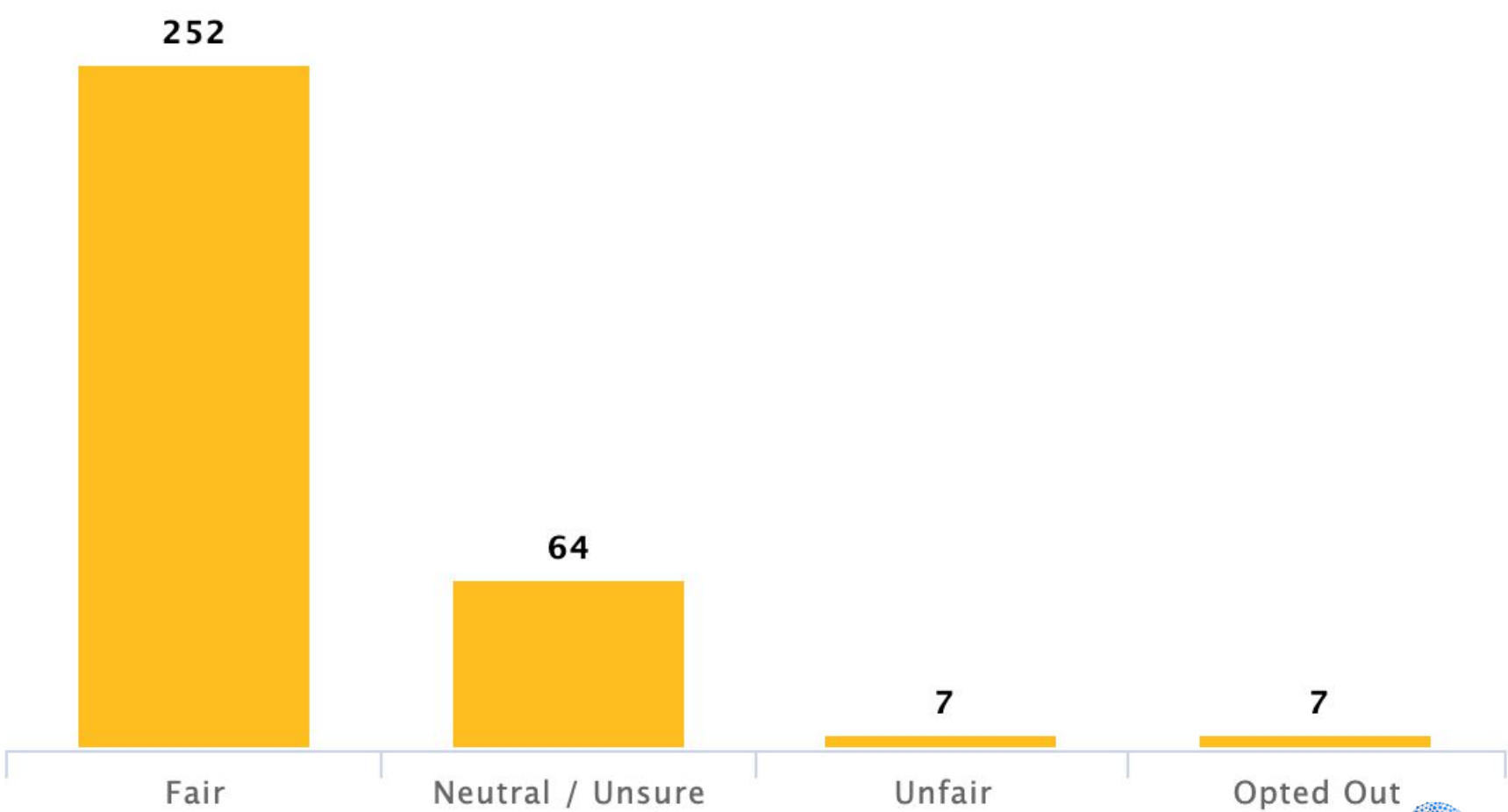


**Equity**

# HIRING PROCESS FAIRNESS

BY ALL ▾

■ All Participants



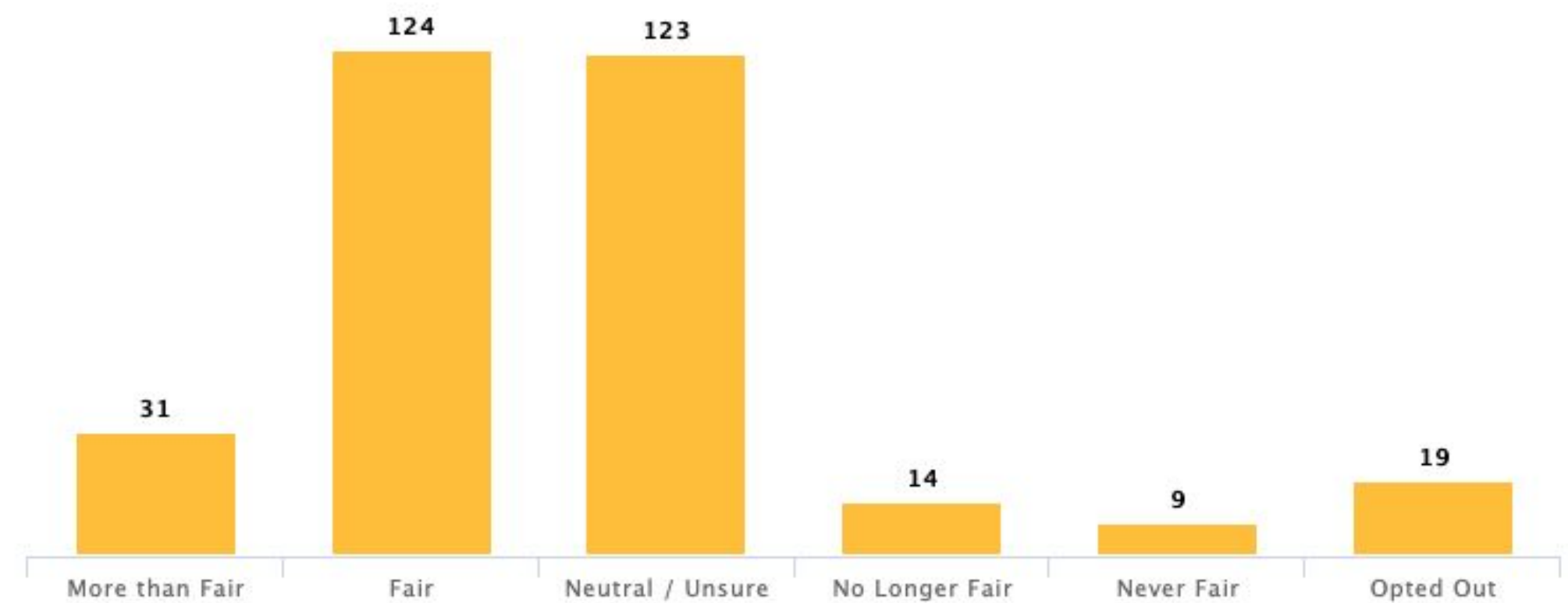
Despite distinctions in job source, respondents overwhelmingly perceived their company's hiring processes to be fair (78%).

## CURRENT PAY (RELATIVE TO PEERS)

BY

ALL ▾

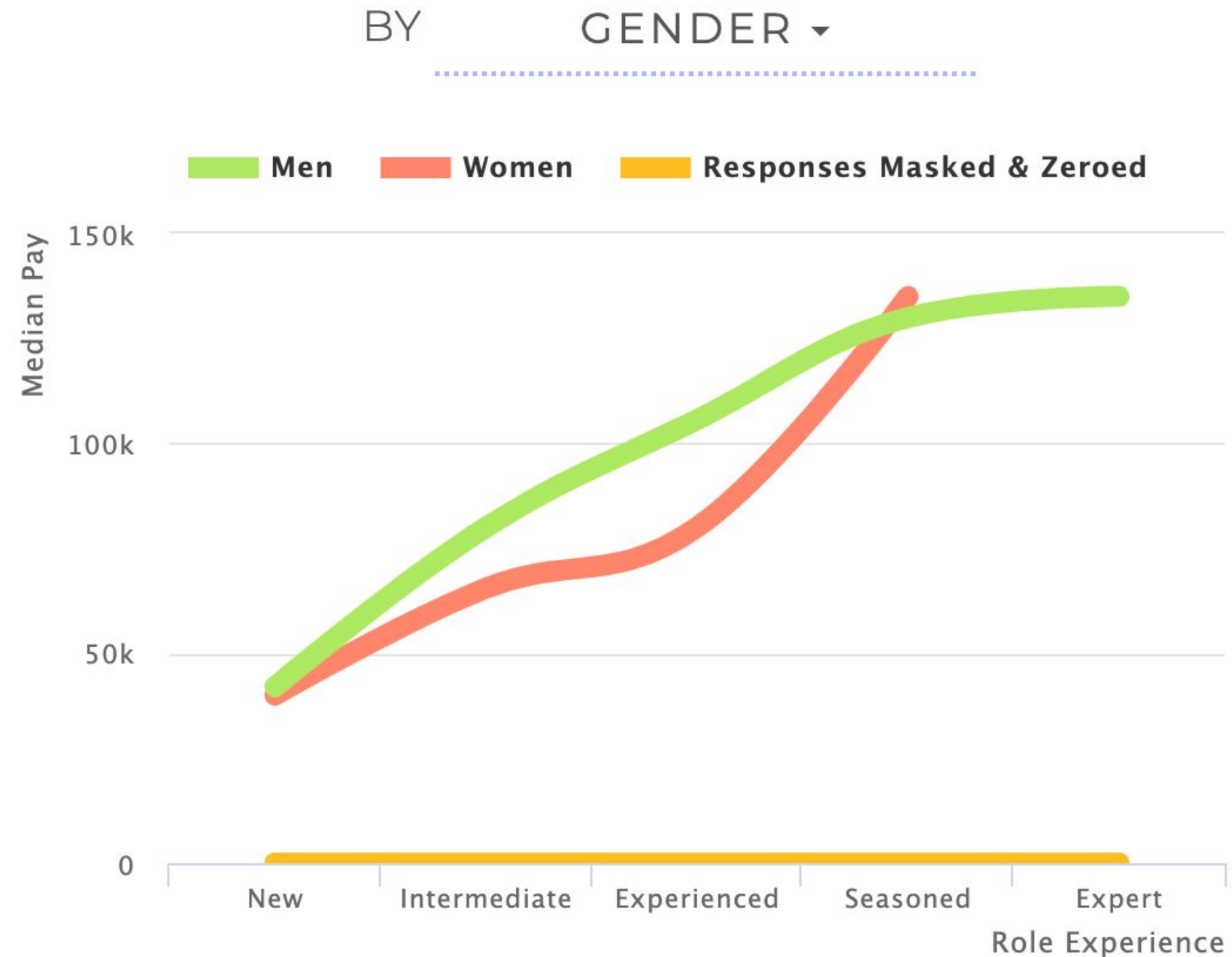
■ All Participants



However, many PledgeLA members reported a great deal of uncertainty around the fairness of pay relative to their peers (41% neutral or unsure).



# MEDIAN PAY BY EXPERIENCE



\* Pay chart of disclosed pay  $\geq$  10k/yr \*



This lack of transparency holds real consequences - experienced women earn about \$25,000 less than similarly tenured men.\*

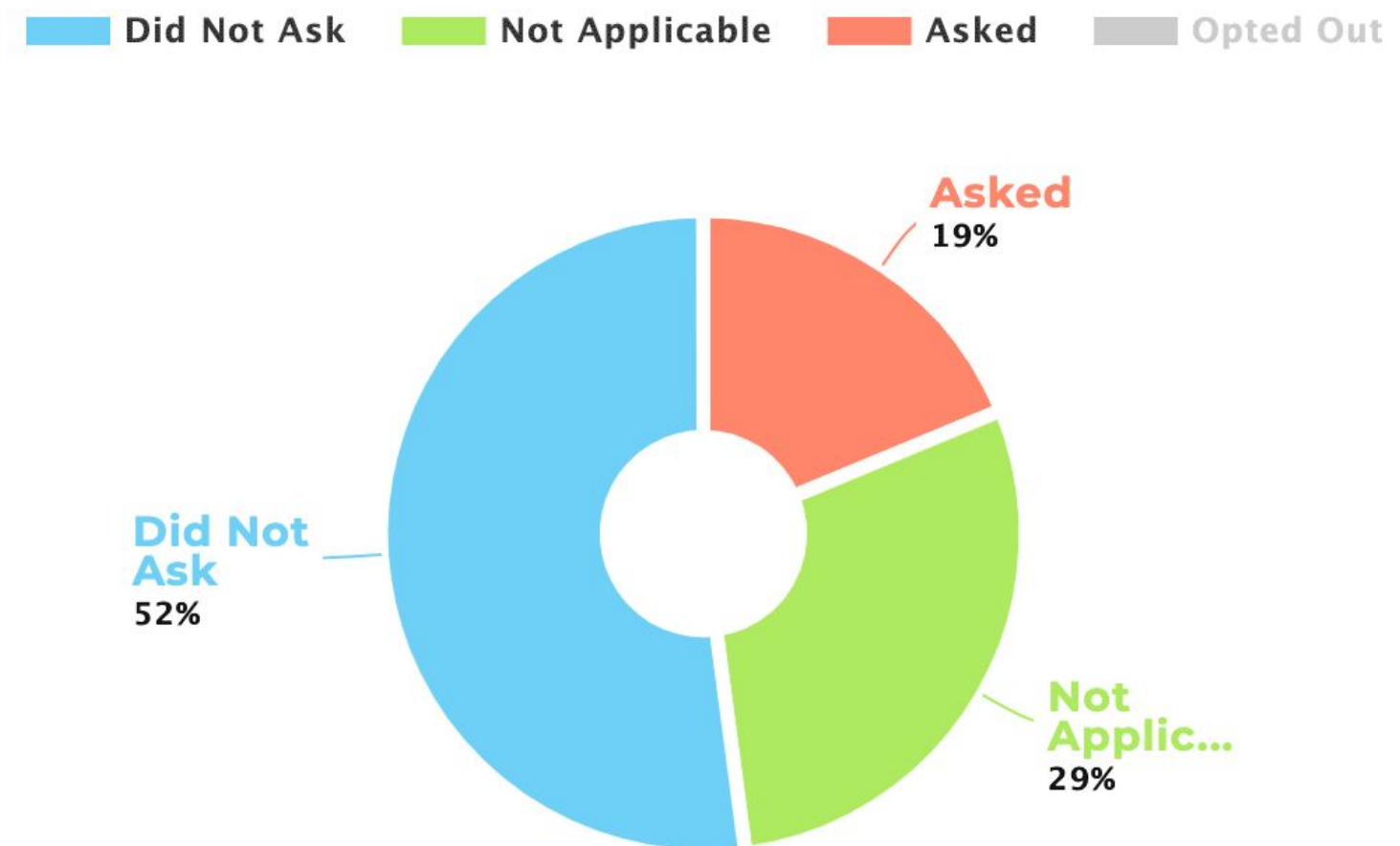
The overall gender pay gap demonstrates that women at PledgeLA companies earn 71.4 cents per every \$1 made by a man, a gap larger than the national average (81 cents per \$1; source: [U.S. Census Bureau, Current Population Survey 2019](#)).

# NEGOTIATION TEAMWIDE

BY PROMOTION NEGOTIATION ▾

Additionally, just 19% of PledgeLA employees reported having asked for a promotion in the last year.

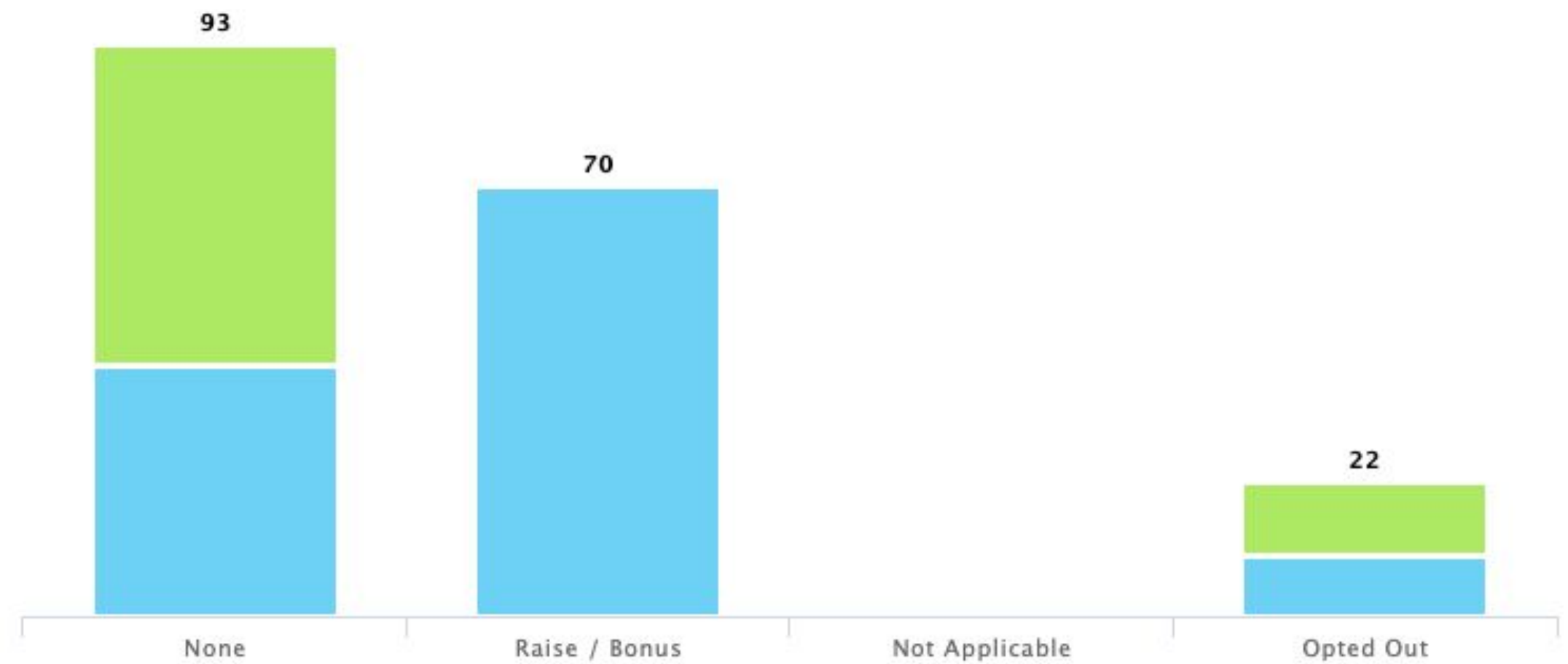
Women were more likely to express uncertainty if the raise & promotion process was fair.



# RAISES & BONUSES

BY GENDER ▾

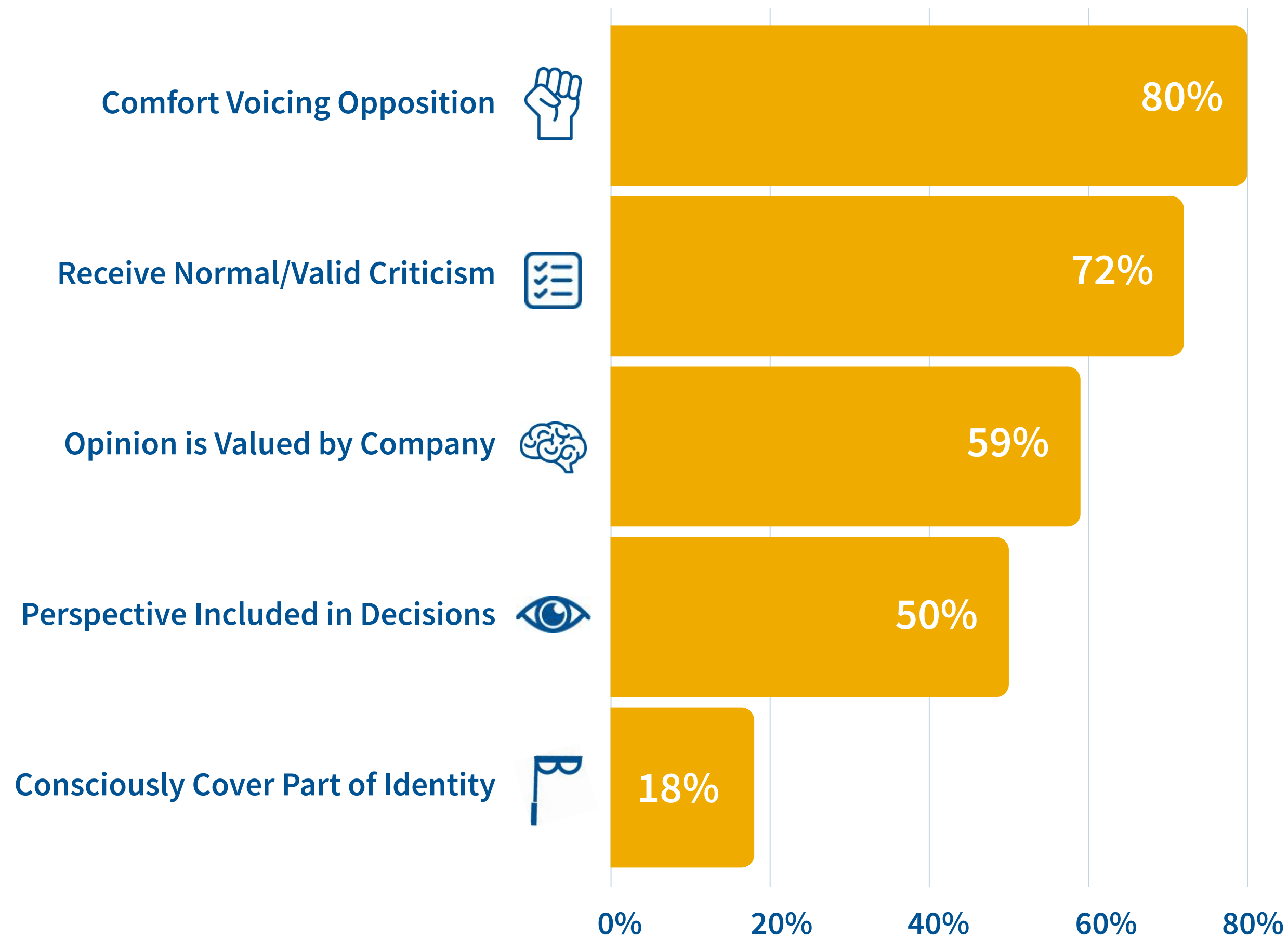
Men Women Remaining Category Masked\*\* Opted Out



In turn, women were more likely to report never having received a raise or bonus in the last year compared to men (54% vs. 43%)

**Inclusion**

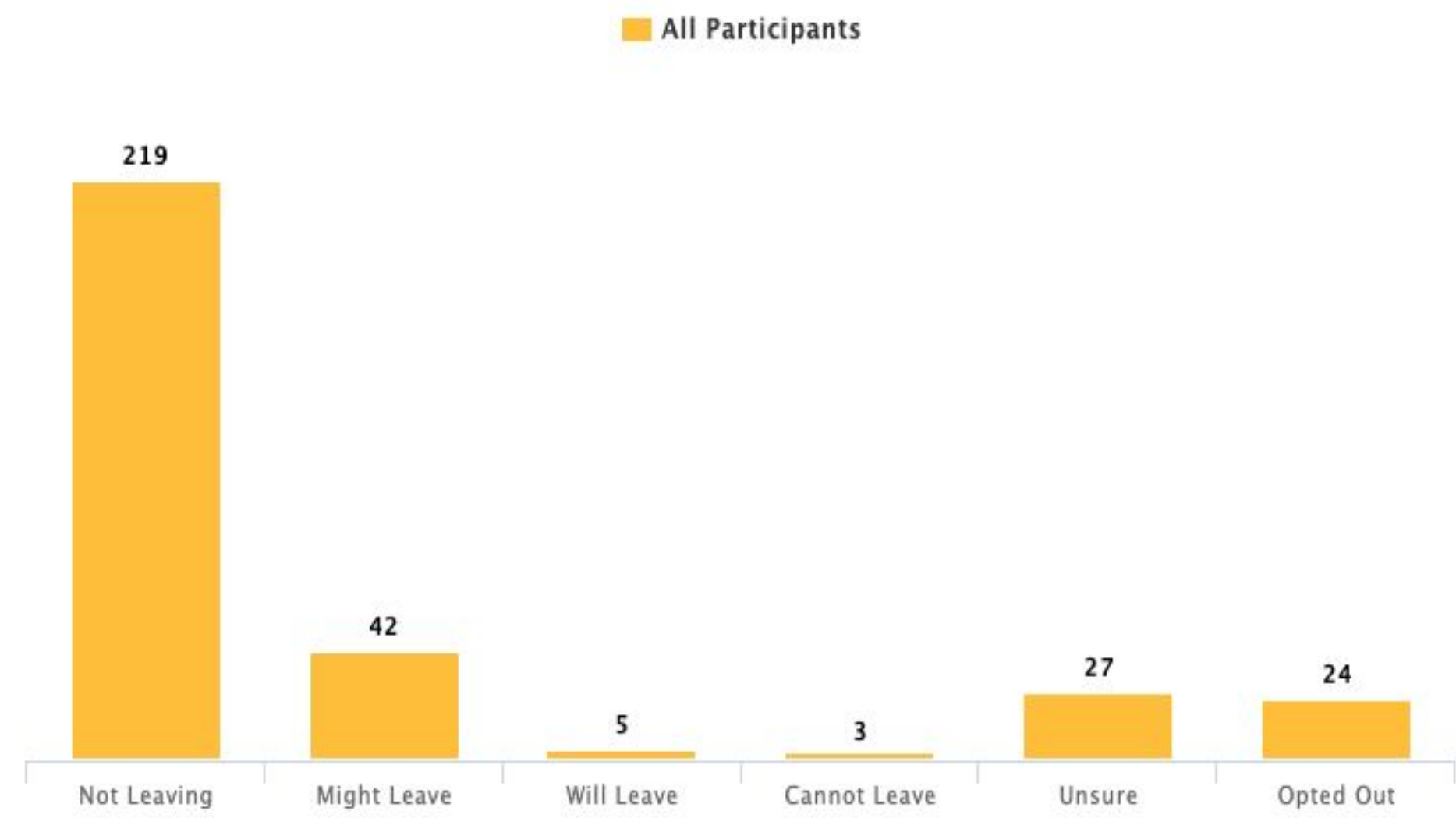
Despite challenges in equity, PledgeLA companies generally foster environments where employees feel comfortable voicing opposition, receive a fair amount of criticism, and feel their voice is heard and valued.





# LEAVING LIKELIHOOD (NEXT 6 MONTHS)

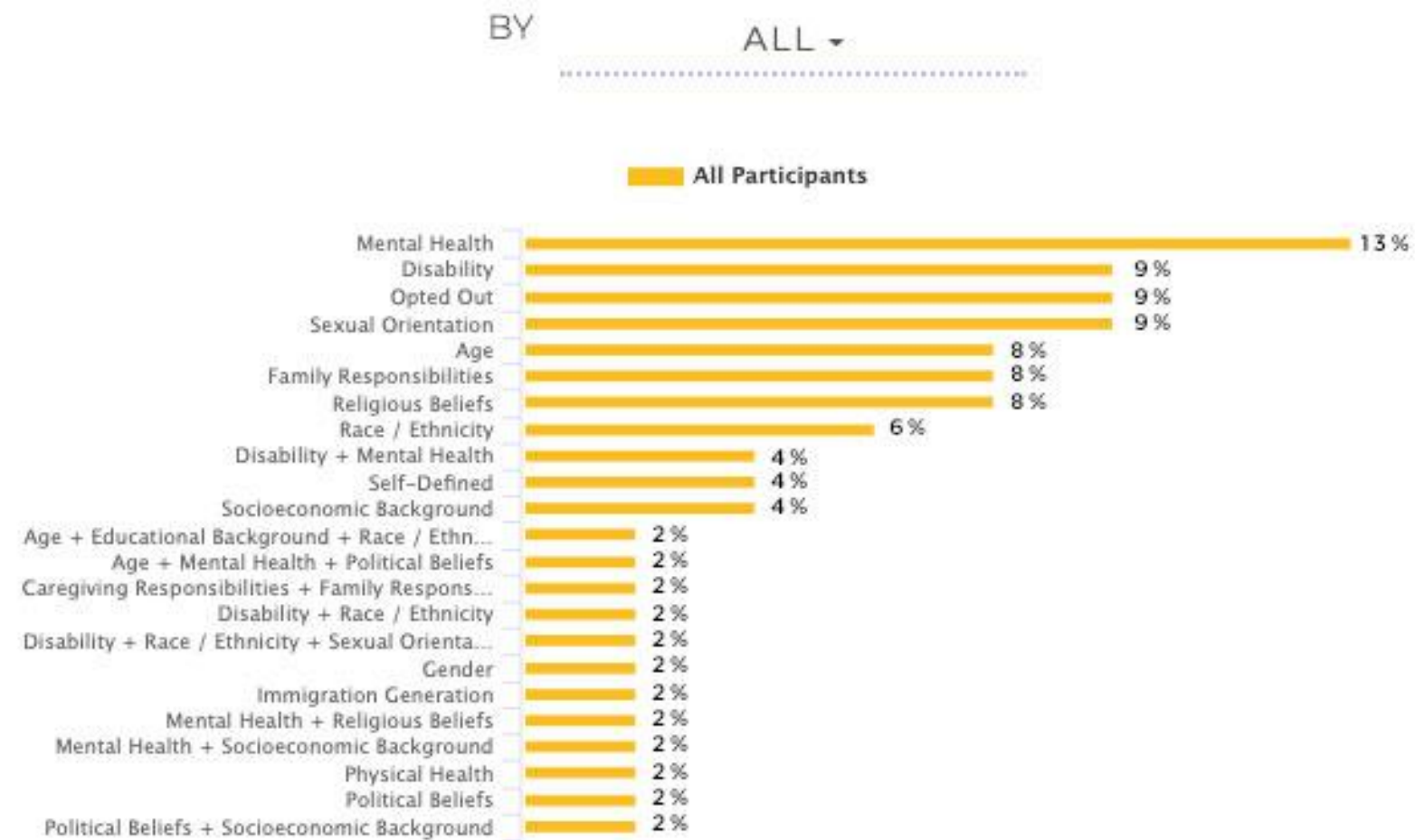
BY ALL ▾



Considering another indicator of company culture, 74% of respondents report that they are not leaving their jobs.

Those that might leave most commonly reported compensation as what might drive them to another company.

## COVERING / PASSING (IDENTITIES)



\* Responses masked = all or remaining demographics grouped together for entire chart

\*\* Category masked = all or remaining demographics grouped together for that particular category (i.e., x value)

Few respondents (18%) report covering or passing a part of their identities at work.

However, of those who do, people with disabilities and particularly those dealing with mental health were most likely to reveal they often hide this identity at work.

As context, 9% of all respondents described themselves as living with depression, anxiety, other mental health challenges.

# TEAMWIDE

BY MISCONDUCT ▾

**No Misconduct Experienced** **Experienced Misconduct**  
**Opted Out**



81% of employees trust or strongly trust their company.

Workplace harassment and misconduct policies are generally well-known among PledgeLA members (73% are aware or very aware of how to report an incident; not pictured).

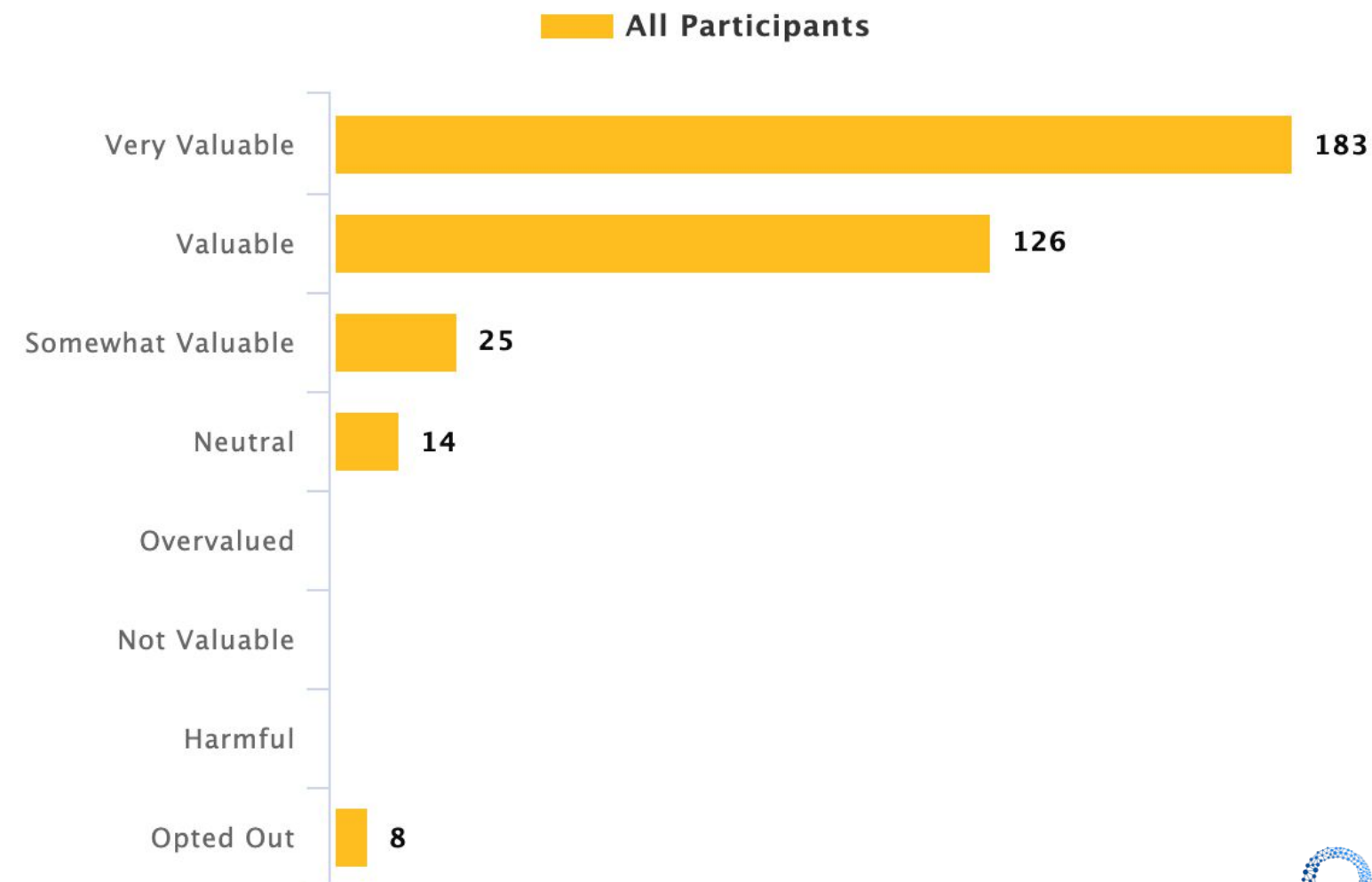
Still, 9% reported experiencing misconduct at the job or a work-related event.

**Social Impact**

# COMMUNITY ENGAGEMENT (IMPORTANCE)

BY

ALL ▾



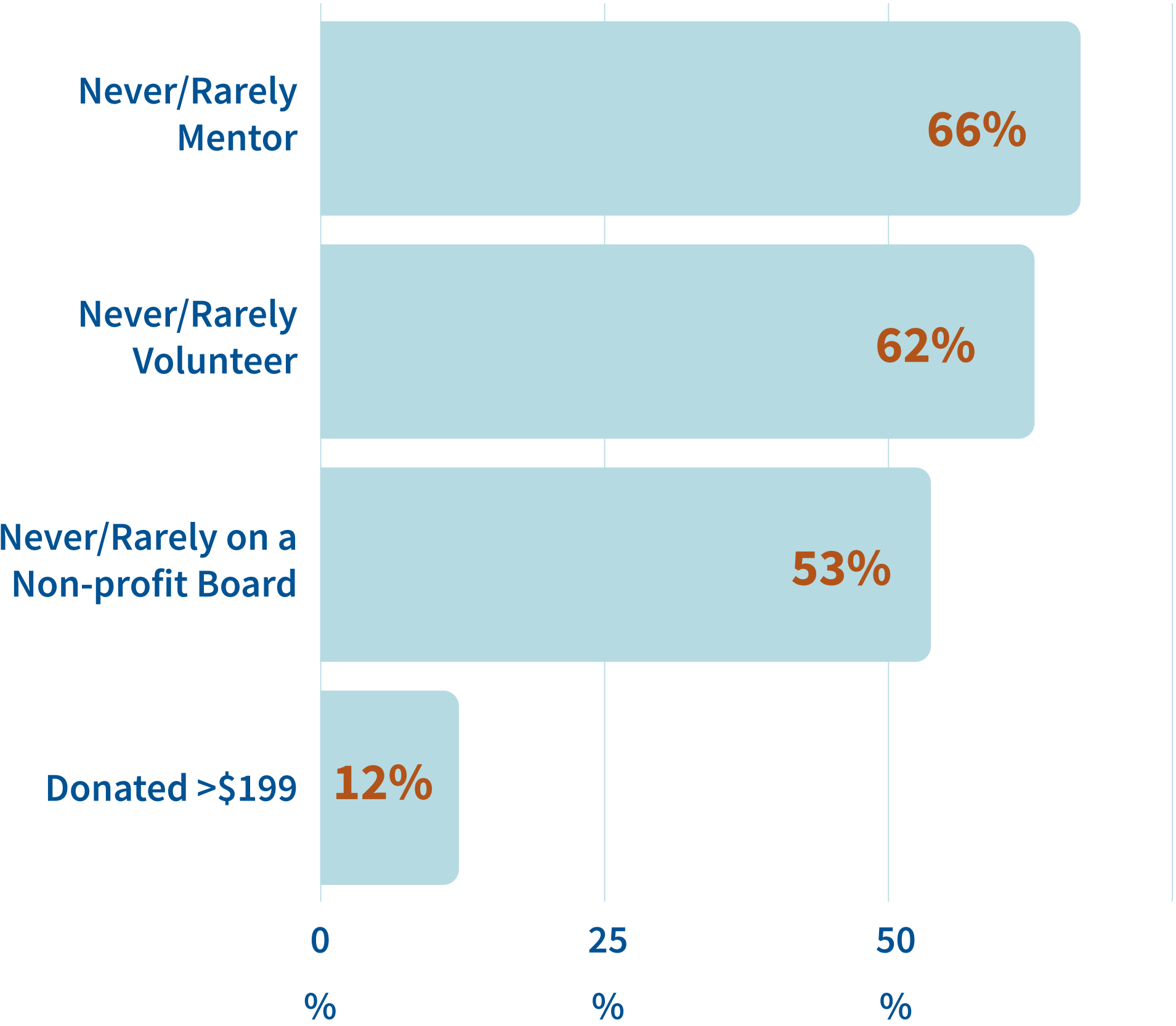
Employees see community engagement as quite valuable and feel their employers feel the same.

89% rated community engagement as something they personally find important or very important; 66% feel company leadership cares about the community.



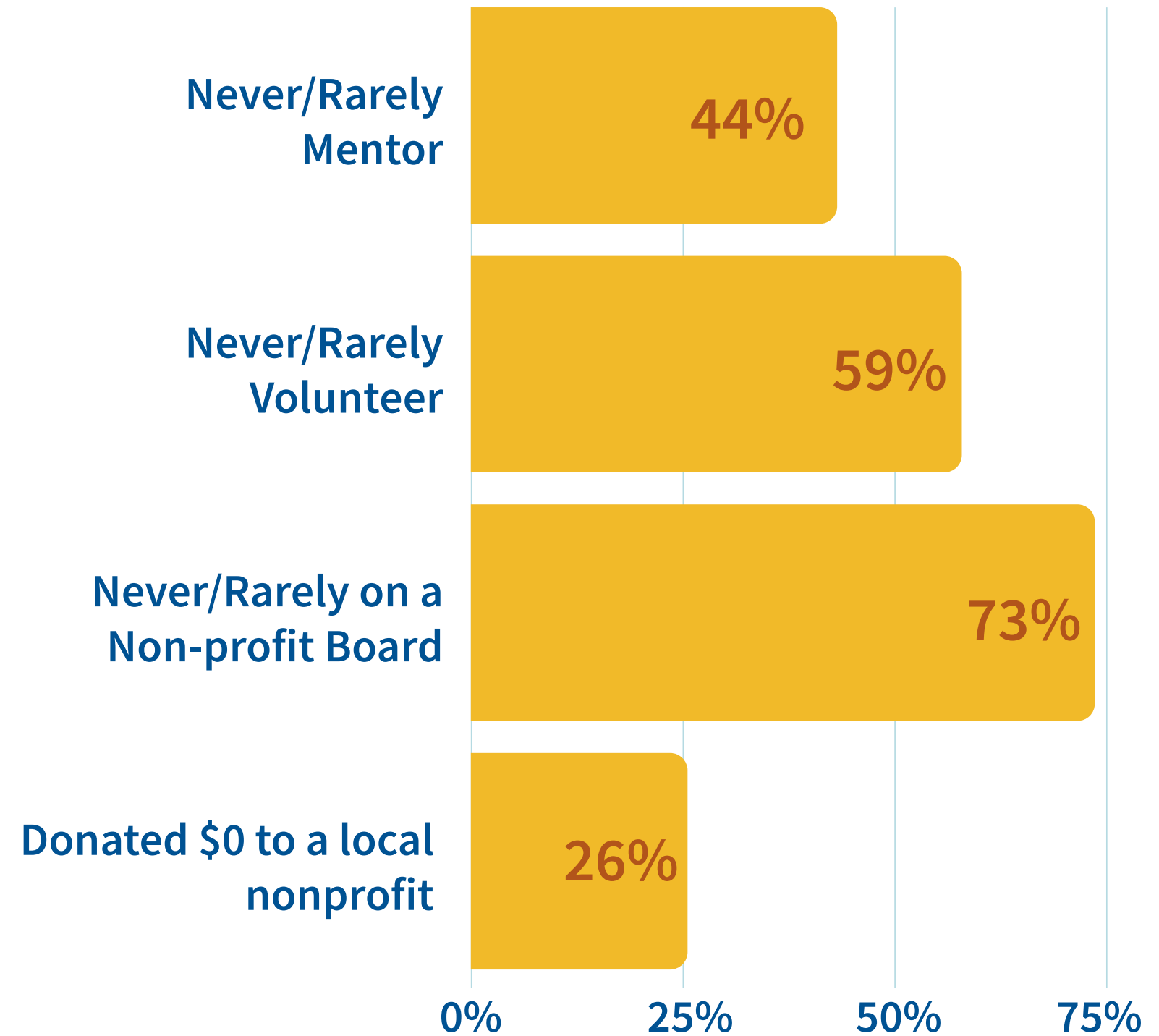
However, these values have yet to be realized in employee behavior.

The majority of PledgeLA employees had never or rarely mentored, volunteered, served on a non-profit board, or given more than \$199 -- 0.02% of the median income -- to a charitable cause in the past 12 months.



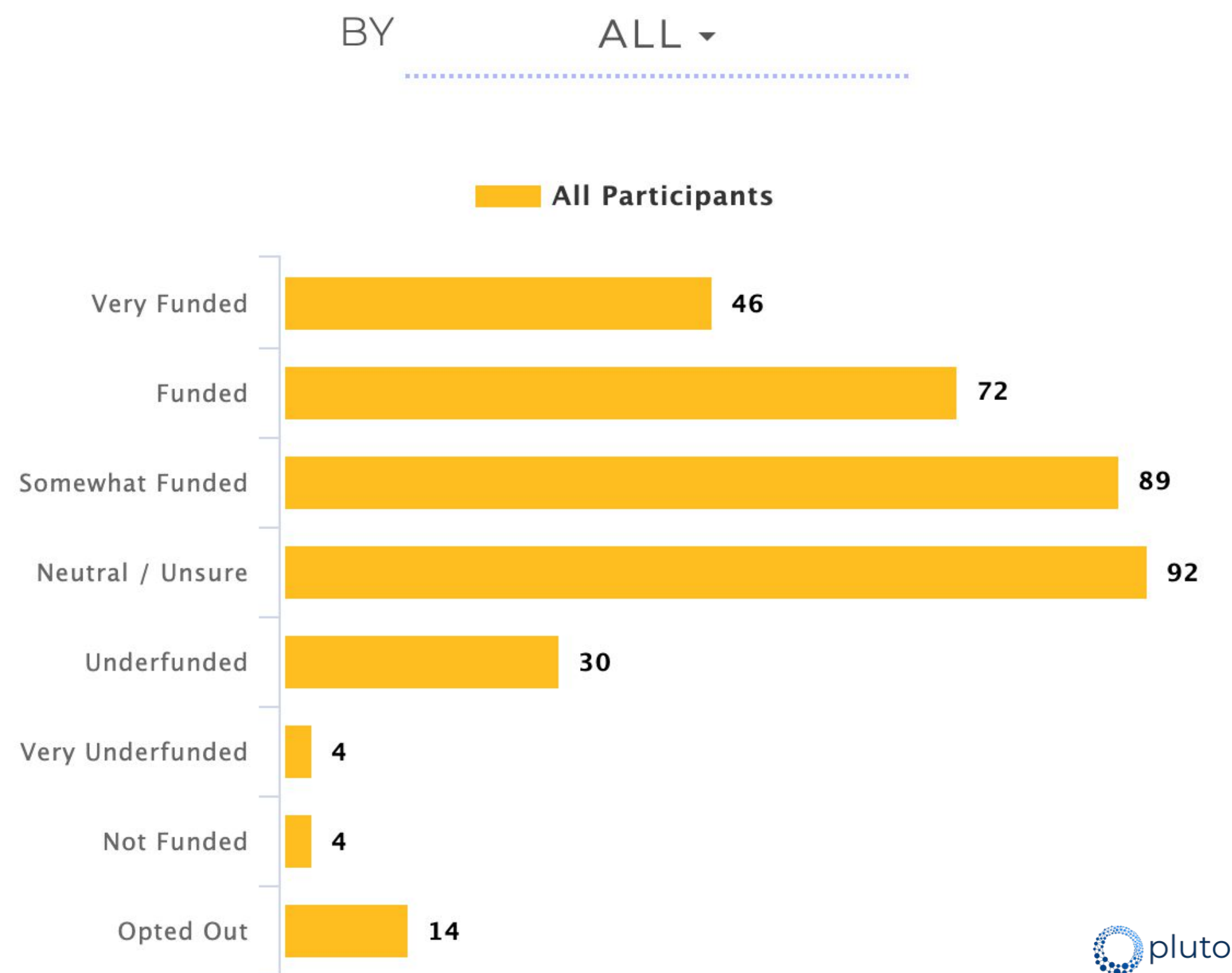
## Social Impact Results from 2019 PledgeLA Venture Capital Survey

Compared to the 2019 PledgeLA VC Survey, tech companies in 2020 are *less likely* to mentor and volunteer than employees of venture capital firms in 2019. However, VCs are less likely to sit on nonprofit boards and a smaller share of VCs donated to charity.



In 2019, The VC survey recorded data about community engagement slightly different to include different types of mentoring and volunteering. These estimates reflect the average percent of VCs who never or rarely mentored or volunteered in any form.

# COMMUNITY ENGAGEMENT (PERCEIVED FUNDING)

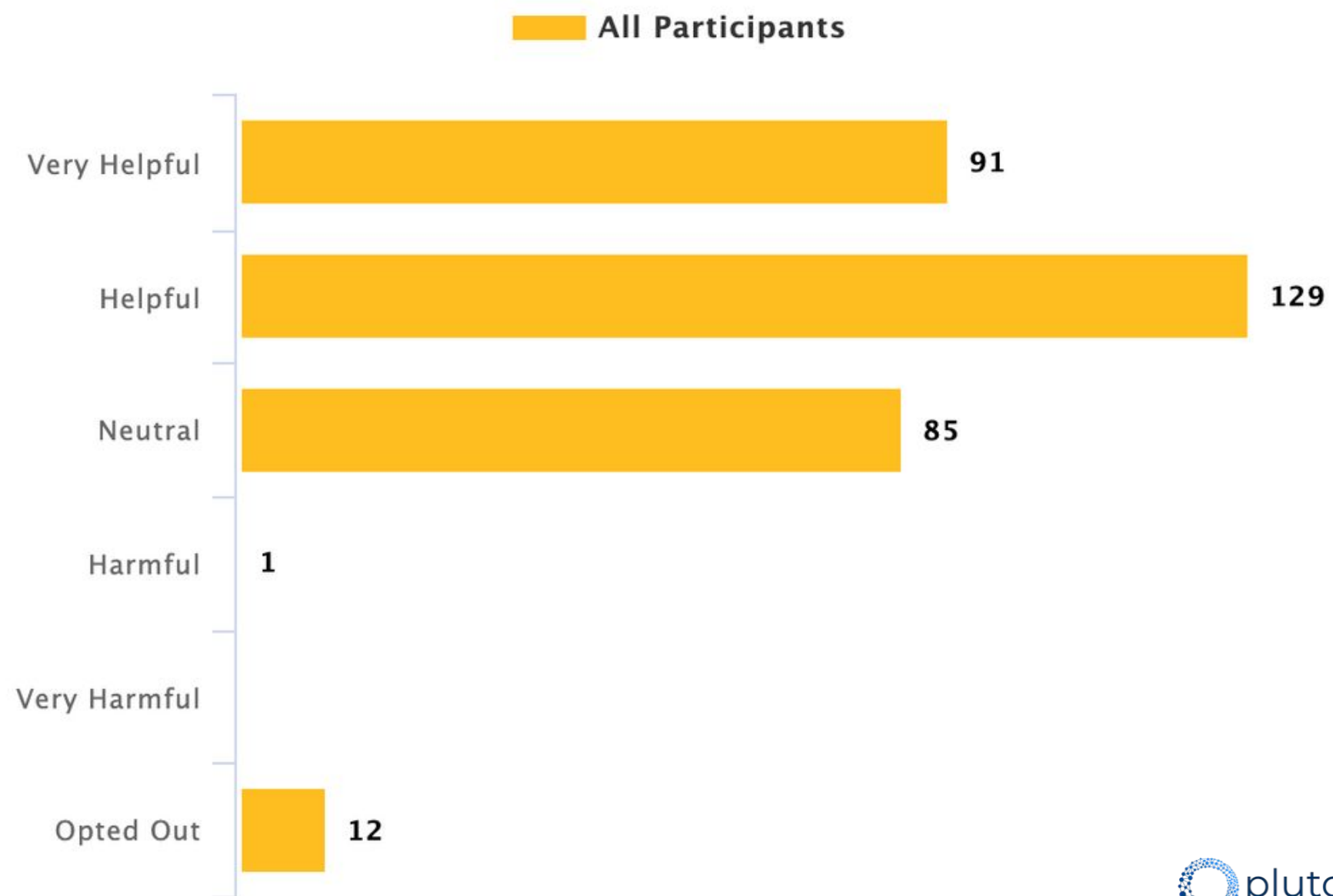


This inaction may be partially due to a lack of support from companies.

The majority of respondents described themselves as unsure (28%) of how their companies supported community engagement efforts.

# VALUE OF WORK (TO SOCIETY)

BY ALL ▾



Still, respondents feel that their work is a positive contribution to society.

72% described their work as helpful or very helpful to the broader community.

This sense of fulfillment may help explain the disconnect between values and action in the community.

# CALL TO ACTION

- Celebrate Existing Diversity: LA tech has a unique opportunity to celebrate the diversity it already has to demonstrate its commitment to inclusion. Efforts to celebrate LGB+ identities, support people with disabilities, aid parents, and elevate discussions around mental health highlight the presence of these communities and leverage existing diversity. Amidst the COVID-19 pandemic, it may be easy to consider diversity and inclusion efforts superfluous, however, the virus impacts minority communities disproportionately. Employees from these communities need your care, acknowledgement and support now more than ever.
- Recognize the Social Network Trap: Companies most commonly recruit through their social networks and employee referrals, which as this report reveals, leads to homogeneous workplaces. Tech companies who seriously wish to increase diversity must meet communities of color through other forums, including cold inquiries received from the web, LinkedIn, etc.
- Participate in Pipeline Programs: Startups may claim that increasing diversity is difficult due to limited resources and sporadic hiring. However, in addition to expanding traditional sourcing methods beyond personal networks, small companies can also consider ways to expand the pipeline at lower cost. Los Angeles needs more points of referral and introduction for marginalized groups, through internships, fellowships, and other opportunities for people of color to make connections within the ecosystem. Startups and established companies alike need to build and participate in these programs to meet and support untapped talent.



# CALL TO ACTION

- Measure Regularly & Make an Equity Plan of Action: With large challenges around equity, companies must commit to closing the gender pay, raise and promotions gap. Doing so requires developing greater transparency around these processes for employees, setting goals internally around closing the gap, working to level-set employee compensation, and committing to participate in the PledgeLA evaluation annually to measure impact over time.
- Activate Teams for Social Impact: While companies value community engagement, their behavior still does not reflect the deep needs faced by Los Angeles for companies to make a social impact. Deeper collaboration and contact with the LA non-profit sector will assist companies and their employees to see what the challenges are and how they can get involved more directly. In the midst of the COVID-19 pandemic, there are many opportunities for tech to do its part in supporting the city.
- PledgeLA Members - Take Action Now: Take time to review your individual company data to see how your results compare. Use the results to set goals with your team and implement a plan to address your particular strengths and weaknesses before next year's survey. Visit [pluto.life](https://pluto.life) to review your private results and see tailored recommendations for your company.



# CONTACT

To explore these results more, visit [pluto.life/pledgela](https://pluto.life/pledgela)

For questions or inquiries about PledgeLA, visit  
[pledgela.org](https://pledgela.org).

[info@pledgela.org](mailto:info@pledgela.org)

To learn more about the survey platform and  
methodology, visit [pluto.life](https://pluto.life)

[info@pluto.life](mailto:info@pluto.life)