**About the Survey**

The PledgeLA survey is an annual assessment of diversity, belonging, and equity within PledgeLA’s Los Angeles-based tech and VC member companies. Responses reflect the perspective of a robust cross-sample of different levels of team members: from executives to entry-level employees.

We invited 213 tech companies and VC firms to complete the 2021 PledgeLA survey. Of these, we received responses from 174 member companies - an 81% response rate. From these organizations, 670 unique individuals (534 from tech companies and 136 from VCs) participated in the staff-level survey, reflecting a 63% participation rate per company.

**Data Sources**

PledgeLA’s 2021 survey combines data from three sources.

1. **Self-reported company-level data** on organizational policies and procedures.
2. **Self-reported staff-level data** from our venture capital firm and tech company member employees.
3. **Public data from Crunchbase** to analyze the diversity of PledgeLA VC portfolios.

This year, several key findings emerged:

**2021 Key Findings**

Compared to previous surveys, we’ve seen the following changes among PledgeLA members:

**Increased Transparency:** Last year, one of our core recommendations to members centered around building a sense of fairness and belonging. This year’s survey reveals that companies are heeding that advice. In the 2021 survey, 90% of employees reported that the hiring process is fair (v. just 78% last year). However, companies still have work to do around pay transparency: 42% of employees still feel uncertain about the fairness of pay relative to their peers (unchanged from last year).

**Company Culture is Even Better:** While we found evidence of healthy cultures in (albeit homogenous) companies last year, even more employees feel that their employers are listening to them (67% v. 59% in 2020) and including them in decision making (59% v. 50%) than compared to last year. Given the role of the pandemic in transforming the nature of work, we’re proud that PledgeLA member companies worked through these challenges with their employees’ concerns and ideas at the center.
Community Engagement Changed: Understandably, the pandemic hurt in-person community engagement among individuals: we saw declines in volunteering and board service compared to last year. However, it seems that companies may have picked up the slack. 43% of employees described their companies’ social impact work as either “funded” or “well-funded” compared to just over 30% who said the same last year. This increase suggests that organizations may have increased their community engagement budgets during the lockdown.

Improvements in Equity: Mid-sized LA companies (11-50 employees) improved the fairness of their raise & promotion processes: 52% of employees described these processes as fair this year versus only 34% last year. Large LA companies (>50 employees) also improved: 48% of employees at large companies said raises and promotions were fair this year v. 38% last year. Across all companies, more employees received raises & promotions: 68% received a raise or bonus this year v. 57% last year.

Shifting Demographics: While most staff demographics remained unchanged between the 2020 and 2021 surveys, we do see a significant shift in the age of PledgeLA companies’ workforce. Just 22% of workers report belonging to Generation X or older this year, a decline from 37% last year. This means the current majority of the LA tech workforce is either Millennials or Gen Z, signaling declining opportunities for older adults.

Increased Accountability: As part of our commitment to accountability, this year’s report includes a list of individual member organizations’ level of participation (ex: company and staff-level data, company level data, or no data received). While all members’ organization-level data remains fully-anonymous, this new change is intended to recognize those that provide more robust data as part of our pledge.

### 2019-2020 Trends Among PledgeLA Venture Capital Firms

**PledgeLA VC Portfolio Diversity: Year-over-year Comparison**

![Bar chart showing changes in diversity metrics over years](chart.png)

*U.S. data come from the “2020 Diversity in Startups” report by Diversity VC & Rate My Investor.*
Our study of public data on portfolio companies along with self-reported data from PledgeLA VC firms revealed the following:

**Ongoing Lack of Diversity:** Investments towards Black founders increased by 71% this year, but still represent just 12% of PledgeLA-backed investments (see chart above). While 25% of PledgeLA VC portfolio companies are led by Asian founders, just 8% are led by Latinx founders (although this number has also increased since last year). According to the 2020 Diversity in Startups report by Diversity VC & Rate My Investor, PledgeLA VCs are more likely to invest in Black and Latinx founders compared to trends in VC across the United States.

**Representation Among Investors:** In addition to tracking PledgeLA VC investments, we also look at who works in our member VC firms. Based on self-reported data, VC firms remain predominantly white (54%), while Black (8%) and Latinx (6%) investors continue to be underrepresented.

**New Identities Represented in Investing:** However, considering other dimensions of diversity, the 2021 PledgeLA survey saw a large number of VCs who identify as LGBTQ+ (25% v. 7% last year) or as having a disability (41% v. 10% last year).

**2021 Trends Among PledgeLA Tech Companies**

**Average Employee Salary by Race/Ethnicity**

![Salary Chart]

**Glaring Pay Disparities:** Black and Latino employees in LA tech, across all experience levels, are paid significantly less than their white and Asian counterparts. White employees out-earn Black and Latinx staff considerably, making an average of $90,000 annually, compared to just $75,000 for Black employees and a paltry $60,000 for Latinx employees. This unacceptable trend reveals the need for a deep investment in anti-racist pay and compensation policies. Across all roles, South and East Asian employees earned, on average, $10,000 and $30,000 more than whites respectively, consistent with other studies on pay trends across the tech industry.
Persistent Gender Pay Gap: Last year, our survey revealed a gender pay gap among PledgeLA members larger than the national average. This year’s survey reveals that this pay gap between women and men unfortunately persists. Regardless of role or experience, women at PledgeLA companies earn $20,000 less than men, and women with more than 20 years of experience make an alarming $90,000 less than men of similar tenure. These figures remain unchanged from last year’s survey. Given these trends, pay equity must be a top priority for PledgeLA members and our programming this year.

Sense of Belonging: While 83% of employees report they feel they can bring their authentic selves to work, LGBTQ+ employees are most likely to report covering/passing a part of their identities, followed by employees with disabilities. When asked how they “passed or covered,” respondents most commonly said they felt the need to avoid conversations about their identity at work.

Policies & Conduct: There is still work to do to help employees report their workplace concerns. Around 29% of employees were neutral to very uncomfortable reporting a conduct issue at work - a figure that remained consistent from last year (28%). One first step for PledgeLA companies is raising awareness on their grievance process: around a third of employees who described themselves as uncomfortable reporting identified being unsure how to report as one of their key reasons.

Internal Conduct Issues: While the overall report of misconduct remained unchanged (8% of employees report work-related misconduct), more employees report their coworkers as the source of improper conduct compared to last year (48% this year v. 39% last year).
2021 Organization-Wide Trends

As described, PledgeLA also collects company-wide data — that is, data on our members’ DEI-related policies and procedures. This year we learned the following:

**Deepening Their Commitment:** More VCs firms have designated a portion of their annual budget to diversity and inclusion than ever before (52% this year v 37% last year). Also, a larger number of PledgeLA VC firms offer their portfolio companies resources related to building diverse and equitable companies. This year, 17% of PledgeLA VCs subsidize DEI resources (i.e. training, consultants, software, etc.) for their portfolio companies vs. just 8% who offered D&I subsidies last year. We’re optimistic that this increase in resources translates into an ongoing commitment to widening access and enhancing belonging in LA tech.

**Increasing Staff Support:** More PledgeLA tech companies and VC firms have hired or assigned staff to lead their diversity and community engagement efforts. 55% of PledgeLA tech companies have at least one staff member devoted to these issues who meets regularly with leadership v. 48% of tech companies last year. VCs also follow this trend, with 52% of VC firms having at least one staff person designated to lead diversity and community engagement, v. 44% of firms last year.

**Eliminating the #GapTable?** While the data is limited, we’re beginning to see a trend around tech companies that track the diversity of their cap tables. Not all PledgeLA tech companies share their cap table data with us, and not all track it, but of those who do (n=27), an average of 60% of company equity is owned by women or people of color. Although our data on this point is limited, it does suggest that a company that tracks the diversity of their cap table, effectively builds intergenerational wealth among historically excluded groups. For more information on the “#GapTable” and the importance of cap table diversity, check out this blog post by #ANGELS, who coined the term in 2018.
Shared Data Partners

To prevent survey fatigue, PledgeLA member companies that already conduct their own robust internal staff surveys (tracking both demographics and staff culture data) are permitted to share their anonymized staff-level data with our team.

We asked several of our members who participate in this manner to share a few highlights, priorities and additional information:

**BCG Digital Ventures — 2021 Reporting Highlights**

What are 1-2 specific areas of growth or success that you would like to highlight from your data?
- Over 100% increase in leadership for Black/African American leaders, as well as women in leadership
- Over 30% increase in Black employees

What are 1-2 focus areas you are prioritizing after reviewing your survey results?
- Transparent pathways to senior leadership for Black/African American and Latinx staff.
- The root causes of gaps in attrition by race/ethnicity and gender.

*Read BCG’s U.S. 2021 Diversity, Equity and Inclusion Report here.*

**LA Cleantech Incubator — 2021 Reporting Highlights**

What are 1-2 specific areas of growth or success that you would like to highlight from your data?
- Increased representation of BIPOC employees from 49% in 2019 to 55% in 2020
- 100% participation in annual employee survey with improved scores in “Fairness” and “Decision Making”

What are 1-2 focus areas you are prioritizing after reviewing your survey results?
- Creating norms to operationalize our values (updated in 2020)
- Prioritizing professional development opportunities for our team.

*Read more about LACI’s work here.*

**Snap Inc. — 2021 Reporting Highlights**

High level outcomes referenced in the 2021 report include (see pages 7-8):
- Women in tech leadership (Director-level and above) increased from 6.7% to 13.7%
- Hiring of Black women grew from 2% to 5.1% of total hires.
- Compared to 2019, representation of women on the Board of Directors increased from 37.5% of independent directors to 50%.

Areas where Snap made progress in the right direction, but wanted to see a faster rate of change, included:
- Overall, underrepresented U.S. racial groups in leadership roles increased from 13.1% to 13.6%.
- Women’s representation across Snap increased from 32.9% to 33.1%.

*For full results, check out Snap’s Diversity Annual Report for 2021.*
How many companies are in PledgeLA? How many completed the survey? How does this compare to the total number of tech and VC companies in Los Angeles?

We invited 213 tech companies and VC firms to complete the 2021 PledgeLA survey. (These organizations were PledgeLA’s members as of 2020.)

Of these, we received responses from 173 member companies — an 81% response rate. From these organizations, 670 unique individuals (534 from tech companies and 136 from VCs) participated in the staff-level survey, reflecting a 63% participation rate per company.

Since that time, PledgeLA’s membership has increased to 219. Each of our members not represented in this year’s report will be invited to participate in next year’s survey, beginning in January 2022.

It is hard to give an accurate estimate regarding the number of tech companies in Los Angeles (or Silicon Valley for that matter) given the large number of early-stage businesses that launch and fail each year. However, PledgeLA’s member organizations represent the majority of LA-based VC firms and include some of the largest venture funds in the city including Greyrock, Upfront Ventures, Crosscut, Comcast Ventures, Halogen Ventures, and March Capital Partners.

Who are some of PledgeLA’s more recognizable tech companies?

PledgeLA’s members include many notable LA companies: Beyond Meat, The Bouqs, Everytable, Honey, Fernish, FabFitFun, Snap, Soylent, sweetgreen, and Tastemade.

How did PledgeLA calculate the diversity of its VC firm members?

Crunchbase is an online platform that provides information on private and public companies, including investments, funding information, founding members, and industry news. Using data-scraping tools, we collected publicly available information on the investments of all 80 of our VC members to establish a complete list of companies they’d invested in from January 1, 2016–December 31, 2020. Some firms had no investments during this time horizon and were excluded from the analysis, leading to a final data set of 1,099 founders supported by 57 firms. We then retrieved information on each portfolio company, including their headquarters location and the names of their founding team.

To assess the diversity of each portfolio companies’ founding team we used two sources. First, Crunchbase offers demographic data (gender and race) on many founders in a growing effort to assess representation in tech (read about their methodology here). Where available, we scraped Crunchbase’s data on founders’ race and gender. Because Crunchbase does not have diversity data on every founder, we used a second technique to assess diversity: algorithmic imputation. We used the NAMSOR API, which is a peer-reviewed instrument that compares first and last names to decades of sociolinguistic data to recognize the likely cultural origin and gender category. Finally, a trained researcher combed through the data to reconcile discrepancies between Crunchbase and NAMSOR, and correct any other irregularities in the data. While not as perfect as self-report, as a methodology vetted and commonly used also by top academics to impute demographics, we are confident in the reliability of our estimates.

Last year, we conducted analyses on PledgeLA VC firms, considering their investments from January 1, 2016–December 31, 2019. Crunchbase demographic data was unavailable last year so the estimates were generated using NAMSOR only.

How did the pandemic impact survey results?

The COVID-19 pandemic dramatically altered all aspects of life – including the nature of work. In our findings, we see several indicators of how lockdowns in LA impacted our members. For example, we saw a considerable decline in personal community engagement. We also saw increases in employee reported satisfaction around being included in company decision making, etc.

Many companies may have laid off employees during the last 16 months. To be clear, our survey was sent to current employees only and does not reflect the experiences of those who may have been let go. However, even with the possibility of layoffs, we see no notable shifts in employee demographics from last year. In fact, a full 28% of respondents can be categorized as “new hires,” reporting their tenure by start year as 2020. Furthermore, a full 77% of employees described themselves as “not leaving” when asked to describe the likelihood of leaving in the next six months – a number that was virtually unchanged from the previous year (74% last year). Those who did report they might leave, most commonly cited “career advancement” as their rationale, suggesting transitions were perceived as a personal choice rather than a forced transition from their employers.

Finally, these data undoubtedly are influenced by the period in which the survey was fielded, with most survey takers participating between late March 2021, before most pandemic-related layoffs occurred.

How does the PledgeLA Survey differ from the Silicon Valley data available?

In 2018, the Center of Investigative Reporting obtained diversity data on 26 of the largest Silicon Valley companies, producing the first and only comparative study of Bay Area tech companies to date. These data were limited in several ways. First, they only included information on race and gender; no other measures of employee diversity were made available. Next, the data were two years old, coming from 2016 government reports. Finally, the data reflected a small fraction of Silicon Valley companies: of the 222 companies CIR requested data from, only 26 complied. Furthermore, since 2018, the CIR has been unable to obtain any new Silicon Valley diversity statistics as companies have refused further transparency. As of late 2019, CIR has taken its fight for data transparency to the U.S. District Court of Northern California.

In contrast, PledgeLA’s 2021 annual survey combines company and staff-level data, public data from Crunchbase about VC portfolios, and represents more than 150 companies and 630 individuals. The staff-level data includes information about: where workers live in proximity to their jobs; how they found their job; their comfort level negotiating their salary at the time of hire and during promotions; how likely they are to leave; housing insecurity; charitable giving, volunteering, mentorship, and non-profit board service.

In addition, the survey provides member companies with anonymous two-way messaging, allowing employees to raise and discuss issues of culture, conduct, or simply provide feedback about diversity or social impact initiatives and goals. While protecting staff members’ anonymity, these messages and the anonymous staff-level data are shared with each company or firm’s leadership so they can better understand their culture and areas for improvement and opportunity.

What makes this survey project truly distinct is the number of companies taking the same survey with the same metrics, across multiple years. Other reports on diversity in tech typically draw from the Employer Information Report EEO-1, which is required to be filed with the U.S. EEOC Office of Enterprise Data and Analytics’ Employer Data Team. These reports only track race, ethnicity, and job level, while the PledgeLA survey includes dozens of metrics for employees and companies.

Furthermore, other reports typically do not attune to dynamics of
change over time. Through our annual reporting, we’re interested in driving a more just and equitable tech industry for all Angelenos – and we believe ongoing accountability is vital towards getting there.

Is it possible that PledgeLA companies are just a subset of LA companies that care more about DEI — and that broader results that include non-PledgeLA companies might show less progress?

Taking an annual staff survey, especially about less-discussed topics like diversity, is not a common practice at most businesses. PledgeLA is continuing to push companies to join this effort, and encourage corporate leaders and employees to help us get their company on board. Accountability is not only an important tool for progress, but PledgeLA is a valuable resource for best practices with a network of other companies leading on diversity, equity, and inclusion.

What is the expectation for PledgeLA members in terms of survey participation?

PledgeLA members were sent two surveys during the 2020-21 campaign — a company or firm-level survey and a staff-level survey (for distribution to their employees).

Also important to note — on each staff-level survey, respondents had the option to skip any question they did not wish to answer or feel comfortable responding to. Accordingly, some staff survey responses provided a greater level of depth and data than others.

How are PledgeLA survey results shared back with companies and employees?

PledgeLA members designate a point of contact to serve as the survey administrator. Survey administrators receive access to a secure dashboard with their company’s anonymized results, as soon as three employees respond. While we encourage members to share their aggregate reports and their plans of action with the rest of the company leadership and their teams more broadly, this decision is left to the discretion of the administrator.

How can PledgeLA members use the survey data to inform and empower their commitment to increase diversity, equity, and community engagement?

When each survey administrator at a PledgeLA member organization receives their confidential survey results, they also receive tailored, prioritized recommendations for diversity and social impact goals unique to their context, along with tools to easily customize and add them to a shareable plan. Our partner platform, Pluto, uses advanced algorithms to activate staff-level response data to flag the issues of greatest concern, such as compensation or the company’s level of community engagement, to help leaders more effectively make use of the data.

As an initiative, how has PledgeLA taken action in response to previous years’ survey data?

We believe data should be a catalyst for action. In 2019, after releasing our first-annual survey report detailing LA’s venture capital sector, PledgeLA launched the Summer VC Internship, focused on creating pathways for underrepresented groups to break into venture capital. The program, now in its third year, has provided more than 40 people (all have been women and/or people of color) with paid, experiential internships at LA firms. More than half of the program’s alumni now work full-time in VC or tech.

In response to our 2020 survey report, which analyzed LA venture capital portfolios and highlighted the critical gaps that founders of color and women founders face when raising capital, we launched the Fund for South LA Founders. PledgeLA raised $500,000 for 20 Black and Latinx-led early-stage businesses from the South Central/South LA community, giving each $25k in non-dilutive capital. In addition to funding, each business received four months of technical assistance, and mentorship from LA tech CEOs. Since January 2021, these businesses have raised a collective $2.55 million in follow-on capital, hired 29 employees, and 89% have increased recurring revenue. PledgeLA will continue this effort as the Founders Fund, expanding access to all of Los Angeles County, for a further two years.

PledgeLA’s Accountability Tracking Process

- **WE GATHER**
  Public VC Portfolio Data
  Company-Level Data & Practices
  Anonymous Staff-level Surveys

- **WE SUPPORT**
  Tailored Resources & Goals
  ALL DATA IS FULLY ANONYMIZED

- **WE PROTECT**

- **WE REFLECT + REPORT**
  Annual Report Compiled
  Publish & Share
Level of Data Received

The following list of PledgeLA members reflects data received for our annual survey report as of May 31, 2021.

**Level of Data Received: Org + Staff**
- 2Swim
- Activist Artists Management
- AlgoPay, Inc.
- Alpha Edison
- amginE Ink, LLC
- Amplify
- Artium Technologies, LLC
- AudioCardio
- AvantStay, Inc.
- Backstage Capital
- BCG DV
- BioscienceLA
- Bird
- Blue Fever
- Bonfire
- CareNodes
- Commercial Real Estate Exchange, Inc. (CREXi)
- Cooley LLP
- Coral
- Core Innovation Capital
- Crosscut Ventures
- DASH Systems, Inc.
- Data 360
- Dogdrop
- dot.LA
- dotOrg Technology
- Emblematic Group
- Ettitude Holdings Inc.
- EVgo
- Evolution
- Expy Health
- Fama
- Furnish
- Finli
- Flavors from Afar
- GIFTATA
- Gladeo
- Golden
- Grid110
- Hot Bit VR
- Idealab
- Liquid
- Los Angeles Cleantech Incubator (LACI)
- M13
- MaC Ventures
- Make in LA (MiLA.vc)
- March Capital Partners
- Navitas Capital
- Pledge (Formerly Known as Pledgeling)
- PocketCFO
- PocketWatch, Inc.
- Rapid7
- Roadster Capital LLC
- SA&M Preaccelerator
- ScaleHealth
- Slauson & Co.
- Snap Inc.
- Solver, Inc.
- Soylent
- Stat Zero Group
- Suma Wealth
- Tastemade
- Techstars
- The West Coast Consortium For Technology & Innovation in Pediatrics
- Toucan Tradesy
- TYLT VENTURES
- UNOmI
- Valence
- Wonder Ventures

**Level of Data Received: Org Only**
- #WeAllGrow Latina Network
- 70 Million Jobs
- 7TILL8 Wetsuits
- 81cents
- Act One Ventures
- Altura
- BAM Ventures
- Beach View Capital
- Blue Skies Unlimited
- Boingo Wireless
- Bryant Stibel
- China Visionary Group
- Clocktower Technology Ventures
- Comcast Ventures
- Cornerstone OnDemand
- CPR Save
- Creative Spoons
- Croquet Corporation
- DailyKarma
- Denken Solutions Inc.
- Diverse Communities Impact Fund
- DPTRAC
- Early Growth Financial Services
- Elevate My Brand
- Embark Ventures
- EMWDESIGNS
- Encantos
- Enplug
- FamiLeague, Inc.
- Fika Ventures
- FLATLAY Inc.
- Good Job
- Greycroft
- Halogen Ventures
- Hawke Media
- Holisticism
- Honey
- HopSkipDrive
- Inclusology
- Jimaye
- Joymode
- Jump Watts Inc.
- KW Capital Partners
- Larta Institute
- Launchmaps
- List Ventures
- Luma Launch
- MarsBio
- Me Tyme Network Inc.
- MediPocket
- Mikomoss Labs
- Mondays Labs
- Moonshots Capital
- Mucker Capital
- Munchee Haus
- Navigate Ventures
- Noun Project
- Nuyorktricity
- Officebook
- Okapi Capital
- Omaze
- OurOffice, Inc.
- Ozobot
- PAIRE
- Parkonomik
- PeakMetric
- Perch Mobility, Inc.
- Pick My Solar
- PLUS Capital
- Pritzker Group Venture Capital
- Sabio Enterprises, Inc.
- Scopus Ventures
- Stage Venture Partners
- Starburst Accelerator
- SteelHouse
- Stellar Agency
- StillMark
- StoryPlace
- Sutton Capital Partners
- sweetgreen
- Tale Venture Partners
- Techonsite Corporation
- TecnoLatinx
- TenOneTen Ventures
- The 22 Fund
- The Bouqs Company
- The Handoff Company (AKA Caringly)
- Thin Line Capital
- Thrive Market
- Trousdale Capital Management
- TuesdayNightsTwo Bit Circus
- UCLA Biodesign
- Upfront Ventures
- USC Marshall Venture Fund
- Vamos Ventures
- Watertower Ventures
- Wavemaker Partners
- Wellsayer
- WeTransfer
- Women's Innovation Fund Accelerator
- Zip & Go Assist (Virtual Assistants)
- Zyp

**Level of Data Received: None**
- Aspiration
- Avisare
- Baron Davis Enterprises
- Basepaws
- BESE
- Beyond Meat
- Breadware Inc.
- BUENA
- COMUNITYmade
- Countrywood Holdings
- Dollar Shave Club
- Everytable
- FairClaims
- Fifth Wall Ventures
- First Republic Bank
- Heir Apparent
- Helpr
- HMC INQ
- Jam City
- Jasper
- Kitchen Table App
- Lawgood
- LDR Ventures
- Lorals
- Mahmei
- MediaAlpha
- MOBD Ventures
- Muse Capital
- Ping
- PLG Ventures
- Plug and Play
- Reel
- Silicon Valley Bank
- Sound Ventures
- Sweet Flower
- TALA
- Trappit, US
- Troy Capital Partners
- Virgin Hyperloop One