Tech & Engineering Sector – State of Racial Equity

Overall, the state of racial equity within the tech and engineering sectors is relatively poor. There is a shortage of research into this as the tech sector, in particular, doesn't typically capture data about demographics. For instance, the Tech Talent Charter completed an extensive UK-based survey of its signatories (N=580 organisations), which covers around 192,000 tech workers; and, of these, only 45% were able to supply disaggregated ethnicities of their workforce because the other 55% did not ask for this information (TTC, 2022). We can gather more information regarding demographics in the engineering sector as this is studied and reported on through school-age to university leavers and into organisations.

On a global scale, the tech sector shows racial inequality within the industry. The Dice Race and Equity Report (2022) collected data from 2020-21 in the US, which showed an increase in racial discrimination by 2%, up to 57% from 55% over the previous year. Additionally, the wage gap remains a prominent issue for racial and gender groups (Dice, 2022). Nearly half of the technologists included in the RER report said they feel they are not fairly compensated compared to others with the same job and skillset (Dice, 2022). The number increases to over half when broken down into racial groups, except white technologists (Dice, 2022). There is a level of dissatisfaction at work among Black and other POC groups, which means that retaining talent becomes harder overall. There is, however, higher satisfaction with direct managers, which could aid in implementing more EDI strategies (Dice, 2022). And a 2016 survey showed that 47% of millennials are looking for EDI when contemplating joining an organisation (GE Plus, 2020).

When we delve into interpersonal racism at work, the disproportion also exists. Dice (2022) states that Black technologists reported experiencing racial discrimination at a higher rate (+2%) up to 50% from 48% than the same period the previous year. This number sits at 10% for white technologists and around 25-28% for other POC groups (Dice, 2022).

In the UK specifically, we see that POC groups make up 14% of the working-age groups in the tech sector but only 12% of the workforce (Diversity in Tech, 2021). For IT, POC groups representation is 19%, up 3% from 2015 (Diversity in Tech, 2021). There is an ongoing struggle to retain POC employees (Diversity in Tech, 2021; TTC, 2021). Part of this is because of perceived unfair compensation compared to others in tech roles, which has been highlighted in recent years. Pay gap reporting expectations are levied for employers with over 250 employees (Diversity in Tech, 2021).

In engineering, the story is much the same. Black and POC groups composed only 7.8% of the workforce in the UK in 2018 (Royal Academy of Engineering, n.d.). This number is surprising because 27% of engineering graduates in the UK in 2018 were from a POC background (Royal Academy of Engineering, n.d.). Black pupils are

often steered away from STEM courses in secondary education as they are 2.5 times more likely to be moved to a lower set in maths than white pupils (Engineering UK, 2021). Further, in university settings, those from POC backgrounds are less likely to get a 'good' degree outcome (a first or 2.1) than are their white peers (Engineering UK, 2021).

In management, C-suites and tech boardrooms lack POC representation. The number sits around 11% for directors compared to 29% of other IT specialists (Diversity in Tech, 2021). The UK's top technology companies' boards are white, male, and over 50 (ColorInTech, 2019). Of those top 16 technology companies' 152 board positions, only four were held by someone from a POC group, and of the 39 positions held by a woman, only one of these was from a POC group (ColorInTech, 2019). Compared with the US, where those from a POC backgrounds hold 17% of tech leadership positions, only 2.6% are on UK tech boards (ColorInTech, 2019).

When we look further into investment capital, Black, South Asian, East Asian, and Middle Eastern backgrounds were only in receipt of 1.7% of capital investment, and given that POC groups make up 14% of the UK population, this shows that there is disproportionate underinvestment in these communities (Tech Nation, n.d.). 76% of venture capital investment went to organisations with all-white boards (Tech Nation, n.d.).

There is a gap in the data surrounding research in other locales outside of the US and the UK with regards to diversity and racial equity in tech. The findings resoundingly support more research and data collection by companies directly to add to the tech and engineering industry statistics at-large.

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