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Mining for tech-talent gold: Seven ways to find and keep diverse talent

A wealth of diverse tech talent is available, if companies expand their approach to hiring them.

by Kathryn Kuhn, Eric Lamarre, Chris Perkins, and Suman Thareja

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With businesses struggling to find and keep technical talent, companies cannot afford to leave any stone unturned. And yet they have been slow to diversify the talent pools they tap to recruit technical professionals.

While the state of talent diversity is a problem across most companies, the issue is particularly bleak when it comes to *tech* talent. In 2021, for example, there were 14 percent fewer women in entry-level engineering or product positions and 15 percent fewer in first-level manager positions than in other nontechnical roles.[1] Similarly, our research shows that Black workers, who represent a 13 percent share of the labor force, represent only 4.5 percent of software developers.[2]

The reasons for this shortfall are often both complex and surprisingly simple. Poorly worded job descriptions and a lack of familiarity with interview techniques, for example, have a big impact. More familiar but still intractable problems related to management practices, such as accountability and goal specificity, also have a debilitating effect on even the most well-intentioned efforts.

Addressing the diversity opportunity in technical talent—including socioeconomic, educational, and neuro diversity—should be an integral part of the talent strategy for any company with serious technology ambitions. Companies with diverse senior leadership outperform their competitors and are more successful at attracting top talent (highly sought-after technical talent, in fact, will often refuse a job offer or not even apply to companies it perceives as noninclusive).[3] Our experience has shown that no single activity will "solve" the issue. Sustained effort across multiple fronts is necessary. And while real successes are still too few, seven practices are emerging that are starting to have an impact.

1. Integrate diversity, equity, and inclusion into the overall talent program, rather than making it a 'special project'

Even though most companies want to improve the diversity of their tech talent, it too often becomes yet another job to-do on top of an already overwhelming workload. Some companies have even gone so far as to offer points to recruiters who bring in more diverse talent, to little avail.[4] The end result is that diversity, equity, and inclusion (DEI) efforts flounder.

Guarding against this outcome starts with making a senior tech leader responsible and accountable for integrating DEI into the entire talent-management approach. HR can support this person, but it cannot lead the effort, because it doesn't have the understanding of tech needs or the standing in the tech community to effectively lead.

The DEI tech leader has a key role in baking DEI into a business's talent-management processes. That can mean, for example, including DEI key performance indicators (KPIs) as part of the overall talent dashboard that leaders use (rather than making it a separate dashboard), having DEI goals be part of people's performance reviews, and integrating DEI perspectives into training materials. The key point is that DEI becomes part of the natural flow of business, not a separate initiative.

2. Get data to identify DEI issues, and be explicit about goals

Companies need to develop transparency that is sufficiently granular to identify where the issues are. Unfortunately, only 55 percent of companies in the Russell 1000 disclose minimal racial- and ethnic-diversity data, and only 11 percent report

[1] "Women in the Workplace 2021," McKinsey, September 27, 2021.
[2] "The economic state of Black America: What is and what could be," McKinsey Global Institute, June 17, 2021.
[3] "Diversity wins: How inclusion matters," McKinsey, May 19, 2020.
[4] Deepa Seetharaman and Georgia Wells, "Facebook's point system fails to close diversity gap," *Wall Street Journal,* August 16, 2016.

EEO-1 or data on factors intersecting with sex and gender (intersectional data).[5]

An important starting place is developing a comprehensive set of facts around recruiting, work performance, and retention for diverse talent. The data won't be perfect at first, but it will provide greater transparency into the current state of DEI and a benchmark against which to measure progress. This is a crucial step in establishing accountability.

To better understand its current status on diversity, one software company encouraged employees to identify according to race, ethnicity, age range, gender identity, LGBTQ+, military service, pronouns, and caretaker status. This led to a 50 percent increase in people managers identifying as underrepresented races and groups. This data is made public to all employees so they can track the progress alongside leadership.

Similarly, companies need to bring clarity to their DEI goals, which are often too broad and general, such as "make diversity a top priority" or "increase our diverse talent." Our research on goal-setting frameworks, such as objectives and key results

(OKRs), shows that the best goals, by contrast, are clear, specific, transparent, and continuously refreshed.[6]

Digital-native technology company GitLab offers an inspiring example. Not only does it make its DEI goals public, it also publishes its diversity data, its DEI dashboard, and regular progress updates on how well it is meeting its goals.[7]

3. Be relevant to diverse talent

Like any top-performing business obsessing about its customers' needs, recruiters need to invest in a better understanding of what diverse tech recruits care about. Top companies update their employee value proposition (EVP) to make sure it meets core DEI needs, such as job-advancement opportunities and work-life balance to be relevant to dual-career couples and single-parent heads of households, and they also feature diverse talent in all company materials.

These changes can have a big impact. When Heather Mickman, the CIO of Gap, Inc. (Gap), visited Gap's leadership page when she was first considering working there, she was excited to find

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[5] Kavya Vaghul, "Just over half of the largest US companies share workforce diversity data as calls for transparency from investors and regulators grow," JUST Capital, February 6, 2022. The EEO-1 Component 1 report is, according to the US Equal Employment Opportunity Commission, "a mandatory annual data collection that requires all private-sector employers with 100 or more employees, and federal contractors with 50 or more employees meeting certain criteria, to submit demographic workforce data, including data by race/ethnicity, sex, and job categories."

[6] Santiago Comella-Dorda, Khushpreet Kaur, and Ahmad Zaidi, "Planning in an agile organization," McKinsey, February 19, 2019.

[7] See "Diversity, inclusion, and belonging," "Identity data," and "People success performance indicators: Key performance indicators," on GitLab's website.

that almost the entire executive team was women. "I thought to myself, 'Wow, you don't see that very often. I think this is a company I want to work for.'"

Organizations should test, deploy, and iterate on their EVP materials. Testing an EVP with internal affinity groups or establishing partnerships with diverse professional communities can be effective, especially since the needs of each community can differ.

One area that has yielded some surprising results is job descriptions. One financial services company realized that while its overall company EVP highlighted inclusivity and belonging, its digital job descriptions did not. The bank rewrote its technical EVP and the accompanying job descriptions to highlight career growth and inclusion. Early results show a 40 percent lift in applications and a doubling of qualified candidates.

Similarly, copper-mining company Freeport-McMoRan tailors a version of its careers page specifically for members of the military and veterans, with a specific EVP affirming its support for veterans and military service as well as details on how the company supports the transition from military to civilian life. Page functionality includes the ability to find roles based on military title or military code.

4. Expand the sourcing net

Companies need to rethink where they are looking for diverse talent and expand the institutions they target beyond the "usual suspects." The Carnegie Mellon School of Computer Science, for example, outpaces national averages for representation of women, at almost 50 percent.[8]

One retail company realized that about 40 percent of its new hires were coming from the same six or seven universities and less than 30 percent were from an underrepresented group. This narrow approach to sourcing led to a more homogeneous profile in the company's early-career technical talent. In partnership with an early-career sourcing

organization, it decided to open up its sourcing to a much wider range of universities, community colleges, and nontraditional learning environments. Since then, about 70 percent of its early-career technical talent comes from a different school, and the diversity of that incoming talent is above 50 percent.

Some businesses have found success in working with specific companies that specialize in helping find (and train) diverse talent, such as Canvas, Career Karma, Joonko, Mogul, and Speak_. These organizations are helpful in finding candidates from multicultural, professional affinity groups, women's connectivity networks, and vocation-centric communities (such as technical colleges, alternati

ve high schools, and underrepresented coding-community affinity groups) that celebrate a wide variety of social and economic backgrounds.

Other effective avenues to diverse talent include supporting DEI nonprofits, organizations, and coding academies focused on building digital literacy and tech aptitude. This approach is particularly important given that women make up 19 percent of computer science undergraduates and Blacks just 9 percent.[9] Gainsight has set up a

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[8] Byron Spice, "Women are almost half of Carnegie Mellon's incoming computer science undergraduates," Carnegie Mellon University School of Computer Science, September 12, 2016.

[9] Richard Fry, Brian Kennedy, and Cary Funk, "STEM jobs see uneven progress in increasing gender, racial, and ethnic diversity," Pew Research Center, April 1, 2021.

[10] "Net retention and customer success: Gainsight CEO Nick Mehta on winning at SaaS," McKinsey, March 17, 2022.

program called CS YOU, which offers internships in software-as-a-service (SaaS) customer-success management to underrepresented groups—including people of color, LGBTQ+, stay-at-home parents, military veterans, and disabled individuals. After training them, the company helps place them in tech companies.[10]

Another approach that has borne fruit is to identify and reach out to diverse tech talent earlier in their careers or school lives. Some examples include sponsoring science, technology, engineering, and math (STEM) scholarships for diverse talent and creating programs, such as sponsored hackathons, to provide underrepresented talent with an opportunity to learn more about technology professions. IBM is partnering with 13 historically black colleges and universities (HBCUs) to build a new Quantum Center that gives students access to IBM quantum computers, as well as educational support and research opportunities.[11] Similarly, tech giants such as Netflix are partnering with HBCUs to offer coding boot camps for students.[12]

One convenience retail and food company works with affinity groups for people of color to reach out to first- and second-year university students. The company builds relationships early through campus clubs, mentoring circles, and monthly events.

Expanding the talent pool should also include widening the geographic focus. While it is tempting to recruit in familiar tech-talent cities such as the San Francisco Bay Area or even in growing technical-talent hubs such as Austin, more and more companies are broadening the number of cities from which to recruit, especially to attract more diverse talent. A recent report by Digital Planet in partnership with Tufts University found that while Atlanta, Memphis, and Greensboro–Winston-Salem have the highest representation of Black technical talent, Greensboro–Winston-Salem, Houston, and Nashville were the top performers for Black STEM diversity as measured by the ratio

of Black representation in the STEM talent base to Black representation in the metro area overall.[13]

5. Prep candidates for the interview process

Candidates with diverse profiles often have limited experience with the interview process, which puts them at an immediate disadvantage. Some 50 percent of Black engineers, for example, have had only one technical interview before they look for a job.[14]

Many companies rely on coding challenges as a way of gauging a candidate's capabilities. This approach can be helpful, but companies should be aware that, in some cases, those coding challenges aren't used consistently. Testing tools can have as many as 650 different coding challenges available, but the same ones often aren't used for all candidates for the same role or are not relevant to the potential work. These coding challenges also sometimes focus on semantics and formatting over structure and responsive problem solving. Frustrating interview experiences impact diverse talent disproportionately. A study performed by interviewing.io found that women are seven times more likely to drop out of the interview process after what they perceived as performing poorly.[15] This means that if your diverse talent isn't properly prepared for the technical interview and isn't equipped to evaluate their own performance accurately, they are far more likely to drop out of the candidate selection process on their own.

"Tech company interviewing techniques can mystify students whose educational and social networks give them little advance warning of what is to come," says Andrea Guendelman, founder and CEO of Speak_.

Some proven ways to address this issue is to publish your precise recruiting process and tips for how to prepare on your website (see GitLab's process), provide links to videos with details on specific tech-

[11] *IBM Research Blog*, "HBCU center driving diversity and inclusion in quantum computing," blog entry by Kayla Lee and Benita Zazueta, September 17, 2020.
[12] "Netflix Pathways Boot Camps," Netflix, July 2021.
[13] "The shifting geography of talent," Digital Planet, May 12, 2021.
[14] Legand L. Burge III, Katherine Picho-Kiroga, and Portia Kibble Smith, *The interview access gap for Black engineers*, Karat, September 2021.
[15] *interviewing.io blog*, "We built voice modulation to mask gender in technical interviews. Here's what happened," blog entry by Aline Lerner, June 29, 2016.
[16] Deanne Tockey and Maria Ignatova, *Gender insights report: How women find jobs differently*, LinkedIn Talent Solutions, 2022.

oriented interview techniques (such as code writing in a group setting), review that process in person with the candidate to address any questions, and provide gender-neutral or gender-inclusive dress codes.

6. Remove unconscious bias in recruiting

Unconscious bias can undo better sourcing approaches, and addressing it requires being thoughtful and intentional in identifying where it occurs. According to LinkedIn, recruiters, for example, are 13 percent less likely to open up a woman's profile than a man's.[16] One retailer recognized this issue when trying to build up programs to support early technical careers for diverse profiles. The vice president told us, "We had to first get comfortable using the right language— such as our use of pronouns, being gender neutral, and removing references to war and aggression—to talk about identity before we could even approach these communities of talent."

Effective interviewer training is a great start. Most interviewers make up their mind about a candidate in the first five minutes of the conversation, often driven by unconscious bias. Training interviewers to be clear on what the objective criteria for a role are and using an assessment grid to track observed behaviors and answers during an interview can help reduce bias.

To address unconscious bias, one government agency provided DEI training for interviewers and specifically sought to recruit through professional networking groups that cater to veterans, women, Hispanic and Latino, and other underrepresented groups. Through this concerted effort, it was able to close its talent gaps within its target timelines.

Unconscious bias may be seeping in as well when evaluating candidates based on current skills rather than future potential. Since many undergraduate technology programs struggle to adapt to the speed of change in the industry or may not offer

specialized programs, your hiring managers may be interviewing candidates who have outdated ideas of what technical and collaboration skills are required for the role. Companies may need to deploy specific recruiter and hiring-manager upskilling programs to help identify candidates' technical capabilities when their skill set is a little outdated.

7. Focus on building an inclusive culture to retain diverse talent

The benefits of recruiting diverse talent can be lost if new hires don't feel they belong or are valued members of the team. Several interventions have proven effective in improving retention:

— *Educate leaders—particularly people managers, technical leads, and product managers—in collaborative problem solving.* Specific techniques (building on positive attributes and pair programming, for example) have been shown to increase psychological safety within teams. Train leaders to spot work habits with which some diverse talent may have limited experience, such as using whiteboards to solve coding challenges in a group environment, and provide guidance.

— *Improve career advancement.* Only 52 women are promoted to tech manager for every 100 men, versus 86 women for every 100 men for overall managerial roles.[17] For this reason, many women leave their jobs, which is known as the "broken rung" issue. Providing opportunities to build skills and structured guidance on their professional development can help ensure that diverse employees have the skills they need to advance. Helping with career advancement also includes revisiting policies to see if any of them are creating barriers. Since emerging from the pandemic, for example, one large insurance company has been reexamining its work-from-home policies to avoid inadvertently disadvantaging people who work remotely full or part time.

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[17] "Repairing the broken rung on the career ladder for women in technical roles," McKinsey, March 1, 2022.

— *Vary some established practices.* Varying practices could mean, for example, offering food and drink choices besides pizza and beer for casual get-togethers, acknowledging taste differences among the team. One leading tech company found that the preference of developers for working in a dark environment made many of the women uncomfortable. Simply turning the floor lights on increased the morale and engagement of all the technical staff without any degradation of work.

— *Publish—and enforce—codes of conduct.* Enforcing policies is important and must happen quickly. If someone brings up an inclusion- related issue, being active in responding in a thoughtful and constructive way sends an important signal that the organization truly values inclusion.

— *Support affinity groups, sponsors, and mentors with funding and status.* In some cases, we have seen affinity groups become an "extended family" where early-tenured technologists can seek advice, get targeted microtraining in a topic, get help with setting goals, and generally feel cared for and connected to the broader organization. One retailer, for example, connects early-career technical talent, including interns, to its affinity

Kathryn Kuhn is an associate partner in McKinsey's Pittsburgh office; **Eric Lamarre** is a senior partner in the Boston office; and **Chris Perkins** is an associate partner in the New Jersey office, where **Suman Thareja** is a partner.