



# TECH LEAVERS STUDY

## executive summary

### **Unfairness-based turnover in tech is a \$16B a year problem.**

We have all heard the anecdotes: high profile stories of people leaving jobs in tech and detailing graphic accounts of toxic work environments characterized by bullying, stereotyping, sexual harassment, and racial bias.

Although headline-worthy, how common are these accounts across the tech sector? Do these experiences affect retention? Does workplace culture create a revolving door for underrepresented groups? To date, there have been no representative studies of tech workplace cultures or what experiences drive employees out of the door.

**The Tech Leavers Study is a first-of-its-kind national study examining why people voluntarily left their jobs in tech. The Kapur Center for Social Impact and Harris Poll surveyed a nationally-representative sample of U.S. adults who have left a job in a technology-related industry or function within the last three years.**

While people leave their jobs for a variety of reasons, from the desire to seek career advancement or greater pay to a shorter commute or a change of careers, we found that **unfair treatment is the single largest driver of turnover affecting all groups, and most acutely affects underrepresented professionals.**

What's more, unfairness-based turnover in tech is a \$16B a year problem. There is a high cost to bad culture, and this is a self-inflicted wound.

### **What did we learn: 4 key takeaways**

- 1 Unfairness drives turnover**
- 2 Experiences differ dramatically across groups**
- 3 Unfairness costs billions each year**
- 4 Diversity and inclusion initiatives can improve culture and reduce turnover—  
if they are done right**

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- ❶ **Unfairness Drives Turnover.** Tech employees from all backgrounds cited *unfairness* more than any other factor as a key driver of their decision to leave.
  - Unfairness or mistreatment within the work environment was the most frequently cited reason for leaving, with 37% of the sample indicating that unfair treatment was a major factor in their decision to leave their company.
  - Unfair treatment was nearly twice as likely to be cited as a factor driving turnover than being recruited away by a better opportunity (38% versus 22%).
  - Underrepresented men of color were most likely to leave due to unfairness (40%).
  - Unfairness is most pronounced in the tech industry: employees in tech companies were significantly more likely to leave due to unfairness than technical employees in other industries (42% vs. 32%).
  - Women of all backgrounds experienced and observed significantly more unfair treatment overall than men ( $p < .00$ ).
- ❷ **Experiences Differ Dramatically Across Groups.** While employees from all backgrounds left due to unfairness, workplace experiences differ dramatically by race, gender, and sexual orientation.
  - 78% of employees reported experiencing some form of unfair behavior or treatment, while 85% witnessed or observed unfair behavior or treatment in their previous company. Women experienced/observed significantly more unfairness than men; Employees within tech companies experienced significantly more unfairness than employees in non-tech companies.
  - Nearly one quarter of underrepresented men and women of color experienced stereotyping, twice the rate of White and Asian men and women. Almost one-third of underrepresented women of color were passed over for promotion—more than any other group.
  - 1 in 10 women in tech reported experiencing unwanted sexual attention.
  - LGBT employees were most likely to be bullied (20%) and experience public humiliation or embarrassment (24%), while White and Asian men and women were most likely to perceive unfairness in management practices and leadership.
  - Experiencing and observing unfairness is significantly related to turnover, with the experiences most strongly related to turnover (stereotyping and bullying) being those experienced most often by underrepresented groups.
  - Experiencing stereotyping and bullying/hostility was negatively related to length of employment; The more stereotyping and bullying experienced, the shorter the length of time that employees remained at their previous company.

*“The culture was toxic. The CEO clearly lacked respect for women. Inappropriate remarks were made about women interviewing for roles in the case that the founder found them attractive. Inappropriate / sexual remarks about women were made in front of his female employees during off sites. (There was) tons of micro-management and lack of trust in the abilities of the women who worked for his company. After I left, all of the other women quit too. It was not a female-friendly company.”*

—LATINX, FEMALE, ENGINEER

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### ③ **Unfairness Costs Billions Each Year, And That's Just the Beginning**

- Using conservative estimates based on the percentage of tech employees leaving due to unfairness in this study, unfairness alone will cost tech companies \$16B per year in employee replacement costs.
- There are also reputational costs to companies due to unfairness-related turnover. Thirty-five percent of former employees said their experiences would make them less likely to refer others to seek a job at their former employer, and 25% said they would be less likely to recommend others to buy or use products or services from their former employer.

### ④ **Diversity and Inclusion Initiatives Can Improve Culture and Reduce Turnover— if they are done right.**

- Employees indicate that improving workplace culture can improve retention. 62% of all employees would have stayed if their company had taken steps to create a more positive and respectful work environment. 57% would have stayed if their company had taken steps to make the company culture more fair and inclusive.
- When 5 common diversity and inclusion initiatives are in place, unfair experiences are significantly lower, and employees are significantly less likely to leave due to feeling mistreated.
- Having all 5 initiatives implemented (a comprehensive diversity and inclusion strategy) provided a larger reduction in unfair experiences than any single initiative alone, indicating that one-off initiatives cannot take the place of a comprehensive strategy.

## **What can companies do? 3 recommendations for addressing unfairness**

- 1. Implement Comprehensive D&I Strategies.** Develop and implement a diversity and inclusion strategy that starts with unequivocal leadership from the CEO and executive team, is comprehensive, and implements multiple initiatives, measures the effectiveness of strategies, and allows for course-correct when needed.
- 2. Create Inclusive Cultures.** Identify a set of core values, develop a code of conduct, and strive to create and continuously evaluate and improve the culture. Conduct employee surveys at regular intervals, examine data by each demographic group, provide transparency about culture issues and act upon the findings, addressing areas of concern (See: [Project Include](#)).
- 3. Develop Effective and Fair Management Processes.** Audit performance management and compensation practices for potential biases and implement management training and bias-mitigating strategies (including people operations technology tools) in all stages of the employment lifecycle.

*“I was treated as an other, excluded, and undervalued in my office. I was sat in the back of the office, I was ignored, and it was made apparent that I was a “diversity hire.” I was told I was 'too sensitive.' I was told that other black and lesbian folks in the office didn't feel as I did, after mentioning homophobic and racist jokes being spewed in work-only chat channels. I left my employer because I was being treated unfairly as a black woman and human being.”*

—BLACK, LGBT, FEMALE, DEVELOPER

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**Bottom line:** Diversity in tech matters—for innovation, for product development, for profits, for meeting future workforce demands, and for closing economic and wealth gaps. But unfairness, in the form of everyday behavior (stereotyping, harassment, bullying, etc.) is a real and destructive part of the tech work environment, particularly affecting underrepresented groups and driving talent out the door. With a concentrated focus on building inclusive workplace cultures, tech can save billions of dollars in financial and reputational costs, keep great talent, and finally make progress on its diversity numbers.

**For more information about the  
Tech Leavers Study:**

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