

Impact Report:

THE PANDEMIC'S IMPACT ON WOMEN IN TECH



women
tech
council

INTRODUCTION

The COVID pandemic has caused a recession unlike any other in history. While most recessions “start by gutting the manufacturing and construction industries, where men hold most of the jobs,”² the greatest, and most disastrous impact of this crisis has been on women. This is even more devastating since in the recent past, women had finally gained some major professional momentum.

At the beginning of 2020, a record number of women held Fortune 500 CEO positions³, filled C-suite positions across all industries⁴, occupied an unprecedented number of board seats nationally⁵, and “women’s representation in management is higher than it’s ever been.”⁶ Even more impressive, for a few momentous months in early 2020, women actually held more jobs than men in the United States workforce.⁷

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The impact of women in the workforce is not minimal. A white house report revealed that “essentially all of the income gains that middle-class American families have experienced since 1970 are due to the rise in women’s earnings.”⁸ Studies also show that for companies, “a larger number of women in leadership roles leads to higher profits”⁹ and that “on average, companies with the highest percentage of female board directors outperform those with the smallest percentage by up to 66%.”¹⁰ This impact is starting to create greater opportunities for women.

For example, as of this writing, there are 650 open, women-designated board seats in California.¹¹

Unfortunately, the employment many women find is often lower paying, has lower seniority,¹² and “does not necessarily ensure financial security.”¹³ In fact, one study found that “if first-level women managers were hired and promoted like men, there would be 1 million more women in management over the next five years.”¹⁴ Even still, with their new-found demographic majority, working women hoped that the labor market would more quickly adopt policy reform, such as allowing for more flexible work hours and paid family leave.¹⁵ These policy changes are vital for the sustained professional growth of women as research shows that working mothers, regardless of marital status, still maintain the majority of responsibility for childcare. In response, women looked to and relied on high-demand, low-supply child care options to support their professional and familial efforts. However, the COVID-19 pandemic has upended much of this progress, including for women in technology fields, and threatens to create lasting negative impacts.

IMPACT OF COVID-19 PANDEMIC

Lost Employment

The wake of the COVID pandemic “threatens to wipe out decades of progress for U.S. women.”¹⁶

In the month of September 2020 alone, 865,000 women left the U.S. workforce—4x more than men.¹⁷

With a net loss of 5.4 million jobs during the pandemic¹⁸, the share of women in the workforce is down to levels not seen since 1988.¹⁹ In December of 2020, the “U.S. economy lost a net 140,00 jobs...but women lost 156,000 jobs,” which account for 111% of jobs lost in December 2020.²⁰ This is largely due to the fact that a disproportionate number of women-dominated industries and women-held jobs were lost, with fewer of the jobs being reinstated compared to men.²¹ While “women are more likely to have earned a bachelor’s degree by 31 than men,”²² the collegiate majors women choose “lead to lower-paying roles in social sciences and liberal arts,” compared to the “high-paying roles in tech and engineering” that are predominantly chosen by men.”²³ In fact, nearly two-thirds (64%) of all frontline workers are women.²⁴ As a result, women dominate the “health care, education, non-profit, human resources, customer service, and retail industries, and make up 95% of the childcare workforce.”²⁵ These same industries were some of the hardest hit by COVID-19.²⁶ Even for

women in tech, a predominantly male dominated industry, these losses created great impact since the loss of support in these fields created gaps for women in all professions.

Increased Responsibility

The pandemic, and the resulting forced shutdown of schools and child care options, also disproportionately affected women. Even in the years before the pandemic, the child care industry had an overwhelming demand, with growth estimated at \$54.6 billion dollars from 2015 to 2020.²⁷ “Families in the United States spent over a quarter of their earned income on childcare”²⁸ and over 41 million workers between the ages of 18 and 64 were caring for children under the age of 18.²⁹ Still, a 2018 survey found that 83% of parents with children under 5 said finding affordable, quality care in their area was a serious problem.³⁰ Since COVID-19, the child care workforce that was already grossly undersized lost one in every five child care jobs³¹ and leveled at “79% of its previous strength.”³² Child care providers that are still working have additional costs associated with cleaning, personal protective equipment, and equipment and facilities modifications to meet public health guidelines,³³ which increases the cost of childcare for families.

With a loss of external childcare options, statistics show that the responsibility of childcare historically and currently rests on women. Working women are

“eight times more likely than men to look after sick children or manage their children’s schedules.”³⁴

Specifically in the tech industry, 63% of working mothers said they had done more “home-schooling in the past year than their partners.”³⁵ “Roughly one-in-four (27%) say they quit their job at some point for family reasons (compared with only 10% of men)³⁶ and “mothers were 40 percent more likely than fathers to report that they had personally felt the negative impact of child care issues on their careers.”³⁷ Since COVID-19, nearly 7 million Americans left employment because they have to take care of children³⁸, and there are still “1.4 million fewer women with school aged children in the labor force” than last year.³⁹

Lost Opportunities

Women who were able to keep their jobs are dealing with school closures and major losses to the childcare force. Pre-COVID, 41% of working women were the “sole or primary breadwinners for their families,⁴⁰ meaning this was a major blow to women’s ability to work and progress in their careers. Nearly half (47%) of women in tech feel their career has been delayed because of [COVID]”⁴¹ and 25% of women have considered leaving the workforce completely.⁴² Additionally, women have felt a keen loss of upward career mobility. The increased responsibilities and challenging circumstances have held women back. 75% of women working in tech companies cannot mentally consider taking a new job from a new company.⁴³ A Qualtrics study found that

men have been less affected, with men receiv[ing] 3x more promotions than women during the pandemic.⁴⁴

MOVING FORWARD

In order to help women move forward, and regain some lost ground, we need to embrace some of the trends in tech we observed last year.

1. Embrace Remote Work

Remote work has proven to be possible and even preferable. Now that nearly all employees have tried it, a strong majority want to continue to work from home at least some of the time.⁴⁵ Business travel is also down, and the more technically savvy the company, the less it needs to sink time and money into in-person business meetings that have been taking place virtually.⁴⁶ In regards to women, these are powerful trends that increase the flexibility they need to manage their family responsibilities more easily.⁴⁷

2. Create Internal Pathways

With such a shifting landscape, most women are staying put in their current positions. A Women Tech Council (WTC) survey showed that with all the child care changes, home school responsibilities, reduced activities, health concerns, and general stress of the COVID pandemic, women are not willing to add the disruption of changing companies. This is difficult, as the pattern for upward mobility within the tech industry is to move companies. But for many women right now, this is barely a choice, as it would be devastating to family balance to even entertain thoughts of leaving. This is true even if pay would be greater in another company. For

women in this situation, there needs to be a greater focus on increasing professional skills as they wait for a better time to change jobs and to pivot to trying for internal promotions. For tech companies looking to move forward, maintaining a more flexible work schedule is crucial. Being open to a permanent part-time workforce and focusing on hiring from within will also be important for attracting and retaining female talent.

3. Increase Opportunities

While the pandemic has presented several setbacks, the circumstances it presented can— if utilized correctly— increase opportunities for women in tech. As the world faced mass quarantine and lockdown, it turned to technology to stay connected. Everything from education to virtual work to fitness and entertainment relied on technology. E-commerce became, in many places, the only option, and the world realized the importances of an expanded 5G network to ensure inclusive access.⁴⁸ This means that there is growth in the industry. Companies are looking to not only fill entry-level jobs with female applicants, but also fill leadership positions with women. According to the WTC community

“women are having an easier time finding higher level positions during the pandemic than in previous years.”

One WTC community member found that while it usually took her 8-9 months to secure an executive level position, last year, she had multiple offers within 60 days. Companies are also looking for female board members. Currently, there are 650 open board seats in California that are required to be filled by women. That is on top of the 699 seats that were already filled by women in the last two years.⁴⁹ For women who are in a position to change jobs or find a seat on a board, this is the time to do it.

CONCLUSION

The COVID-19 pandemic has started a female recession, but this does not have to create a lasting impact that erases decades of progress for women. By focusing on ways to embrace remote work, create internal pathways and increase opportunities, the unique circumstances of the pandemic can help support the long-term success of women in technology and overcome some of the setbacks this recession created for their lives and careers.

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