



Technology - It's a Man's World.

Women of Chicago are Changing
the Tech Gender Rules.



CultureFit
Technology Staffing

Recruiting the Talent. Staffing the Culture.

Technology - It's a Man's World

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Call them Trailblazers, Mavericks, Groundbreakers –a strong and unstoppable female force that's shifting the gender demographics of Chicago's Tech and Start-up industries. This "movement" isn't a social media, viral phenomenon, but a slow ground-swelling that continues to strengthen with time that will eventually correct the imbalance of power. As a female led company, CultureFit takes an immense pride in being a part of this Chicago led evolution. But the attribution to what's made Chicago a leader across the US belongs to a combination of female led networks and mentorship programs, leadership conferences, and institutional investors dedicated to advancing and empowering women to breakdown any old barriers.

CultureFit had an opportunity to interview two women who are leading two uniquely different, but vital organizations, based in the Chicago area:

[DyMynd Angels](#) – Carolyn Leonard, CEO & Co- Founder. Launched in January 2018 at the Mercantile Exchange. DyMynd Angels is Chicago's first angel investment fund established to empower female investors to get involved in the entrepreneurial space and disrupt the way in which female entrepreneurs access capital.

[Chicago Innovation, Women's Mentoring Co-Op \(WMC\)](#) – Allison Dillon, Program Manager. She leads the first Chicago Innovation program designed specifically to connect successful Chicago innovators with women who have a demonstrated interest in innovation and want to grow their businesses and careers in the Chicago region through the support of a mentor.

Both organizations have the same commitment –to breakdown the decades old barriers that denied women entrepreneurs and tech start-ups a chance to cash in on the great tech successes that have primarily resided in a man's world. It's through their eyes, we gained a better understanding of what they believe is at the root of these barriers, and how they're championing new, unencumbered gateways that attempt to remove many of the roadblocks.

How did this happen?

From its inception, the technology industry has been dominated by men – not just in the US, but globally. There’s an abundance of theories on “why”. Most believe it’s a combination of cultural/social influences which have become accepted norms. Like any problem that needs to be solved, getting to the root of the “how and why” are critical first steps in determining the best path(s) forward to resolving the issue. We’ve uncovered the 5 most prominent issues – we were surprised to learn that some are issues not based in fact but based on perception or insufficient research that was needed to modify the “assumptions”.

Education systems:

When it comes to gender perceptions and expectations, most agree, socially accepted behavior begins long before we enter elementary school; however, it’s in elementary school where there’s a solidification against some of those ideas. Educational gender bias has been part of a curriculum for centuries. Some subjects were deemed more practical to teach to girls, and some were more appropriate for boys. Typically, these subjects focused on the Sciences, Technology, Engineering, and Mathematics. The issue becomes compounded with the absence of female teachers – as a result, young girls didn’t have a way to imagine “what could be”. The male vs. female teaching ratio for STEM courses continues to be a challenge today, and it’s believed that it’s a contributing factor with only 18% of women graduating with a Computer Software or Engineering degree.

***Fact:** 10 years ago, the STEM program was introduced to several elementary schools throughout the US: Sciences, Technology, Engineering, and Mathematics (STEM). The purpose of the program was to integrate young girls with the STEM classes so that both boys and girls deemed these critical classes as a normal part of their education curriculum. Today, most schools have adopted the program.*

Perhaps the most insightful assessment of the education challenge came from DyMynd Angels Carolyn Leonard, who learned through her own first-hand experience as one of the only female traders on the floor of the Chicago Board of Options Exchange during the 1970’s, she succinctly summed it up as, “To Be **it**, You have to see **it**. Women in their earliest years of educational development, must feel they’re in an inclusive environment, with mentors or teachers that they’re able to be inspired by. It’s the consistency over time that will have the greatest impact.”

Wide Wage Discrepancies:

The wage discrepancies between men and women of slowly begun to narrow, but a significant gap still remains throughout the US. There's many "theories" or some would say "excuses" that attempt to justify the gap. However, some of these challenges revert back to social norm behavior:

- Unlike their male counterparts, women tend to be hesitant when negotiating for a higher compensation package or asking for a raise
- The perception that because women tend to work fewer days because of a leave of absence for maternity, or to raise their family. Although this is an accepted practice for most businesses, some believe that this accounts for some of the variance.

Stat: According to a recent Pew Research study: One-in-four working women (25%) say they have earned less than a man who was doing the same job

Allison Dillon, of WMC, shared an interesting stat, and a key issue they are trying to change through their mentor program, that may be the biggest contributor to this paradigm: "Women

believe they are not qualified for a position if they do not meet 100% of the listed job qualifications vs. men who believe they are qualified if they meet at least 60% of the qualifications." She further shared, "this is one of the reasons that the "women helping women" program is so important, as this is a self-imposed perception.

Dorie Isaacson, CultureFit's Principal and Director of staffing regularly works with candidates and businesses to broker compensation packages that are equitable for both parties. When asked about the best way for female tech candidates to approach these negotiations she shared, "My advice to all of my candidates is not think laterally but to instead think upwards and to remember that it is a candidate's market and demand for talent is high. Companies cannot run their businesses without the technology talent. Candidates, whether male or female, should ask for their highest market value when negotiating compensation and not to just look for a small bump in pay if their current pay is not at market rates. If a candidate feels she is properly compensated, she will not look for new opportunities (at least for a monetary reason) and a company has a much better chance of retaining that talent and will avoid the cost of having to recruit and train a replacement."

Careers and Job Placements:

There was a time when it was a steadfast expectation that an open tech position would be filled by a male candidate. Fortunately, EEOC rules ensure that companies provide everyone an equal opportunity to vie for a position. What can't be regulated are the natural human tendencies for people to subconsciously bias their hiring preferences towards those they can most closely identify – men may feel instinctively more comfortable with men. The flip side of this argument, in defense of a “preference” is the fact that the skilled talent pool continues to be primarily represented by men.

Isaacson, who has been managing the

recruitment process for CultureFit for more than 5 years, added ““Companies look for collaborative and confident team players that can effectively communicate with all sides of the business technically and with good instincts, regardless of gender.”

Stat: According to Payscale, a San Francisco company that collects data on compensation and hiring, the wage gap is much smaller in Chicago vs. San Francisco. On average, women in Chicago make 94 cents for every dollar a man earns, while in Seattle and California, where many major tech jobs are concentrated, women make only 85 and 86 cents, respectively.

Low Risk Tolerance:

It's a common perception, back by many research studies, that women tend to make decisions with caution and they will spend a greater amount of due diligence before

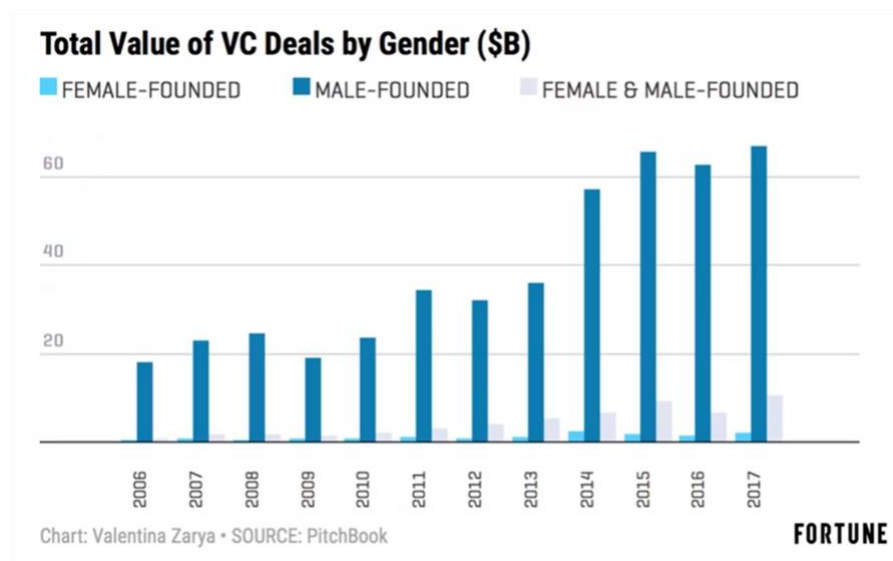
entering/participating in anything that has a high level of risk. As a result, there's a presumption that women have a lower risk tolerance than that of their male counterparts. Many believe, this may be the most significant contributing factor to the low numbers of female led tech start-ups. However, over the past 18 months there have been recent studies that appear to support that men and women

Stat: According to Stash, an on-line investment company, nearly 90% of female users self-identify as having a low or medium risk tolerance vs. roughly 75% of male users. However, both men and women hold an average of five different investments in their portfolio.

actually have a similar risk tolerance, but they do invest differently: Where women tend to be biased toward investments where they feel an emotional connection and men take a more pragmatic approach. Leonard's Angel fund intuitively understands the gender differences and accommodate the difference with an investment “boot camp” structured to give women the information they need to gather to determine where their investments will have the greatest impact.

Lack of Financial Resources

There's an old saying "Money is the Means, Not the End", but without money there's no path to get to the end – a vicious circle for those innovative women, led tech start-ups. This is one of the most significant road blocks faced by female founders. The degree to which this issue is based in reality can be seen in the [graph](#) below with only 2.2% of Venture Capitalist's investment allocated towards companies founded by women:



Mixed gender, female and male founding teams, don't fair much better with only 12% of the allocated VC funding. That leaves the remaining 79%, \$66.9B going to Male led start-ups.

It's statistics like these that compelled Carolyn Leonard to launch DyMynd Angels, but she also identified another glaring reason for the gender imbalance – there was little to no investment money ear-marked specifically to support the launch of women led tech start-ups, including Chicago. There was no financial champion who genuinely cared about balancing the male to female ratio in tech start-ups. In late 2017, she deemed the time for change was now, and she seized it with the passion of a fearless warrior. Why

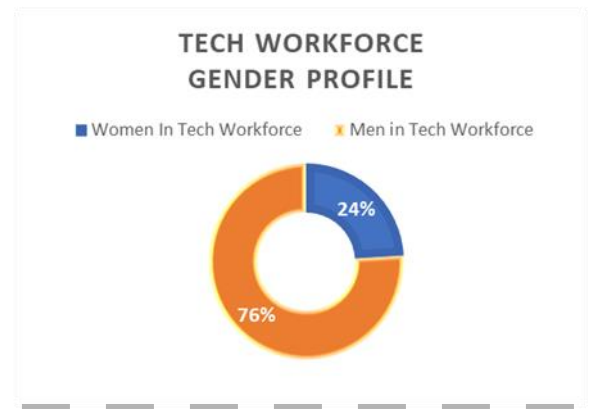
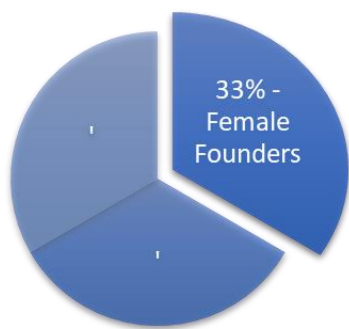
Stat: According to DyMynd Angels, CEO Carolyn Leonard – "Female founders in Chicago and through the Midwest receive just \$2.90 out of every \$100 that is invested in her male counterparts. The time to close the \$97.10 funding gap is now."

Chicago? Her response was what you might expect from an experienced and successful trader, “It was in large part strategic. Chicago has the largest number of female entrepreneurs, but their getting less than 3% of the capital funding. Despite the lack of funding many of these women founders are generating a greater ROI in a shorter period of time than the start-ups with male founders. To me, the risk is low and the opportunity expands the monetary benefit – it’s the opportunity to compel other investors to contribute to a local cause designed to give these women every opportunity to succeed.”

These are only a few of the factors that have or are currently contributing to the tech start up, gender participation and wage imbalance. The path to a balanced solution becomes more complex, as each issue is interconnected to one another. Therefore, the approach to resolution will require a dynamic plan vs. a linear plan. Ultimately, It will take a diverse community to truly define how each issue is contributing to the extreme variances.

The Gender Imbalance by The Numbers

Women in Tech Workforce: 24% of computer related tech workers are women

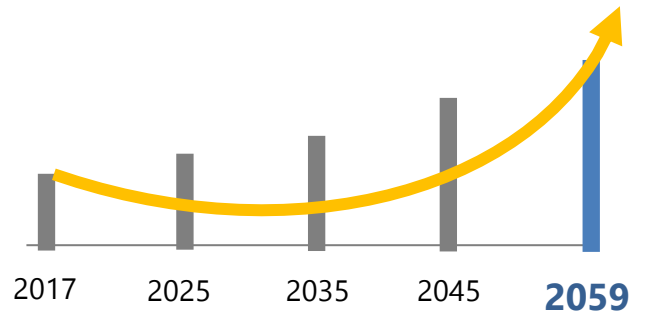


Chicago Based Female Founders, Tech Start-Ups: Roughly one out of every three

Wages



Source: Techcrunch

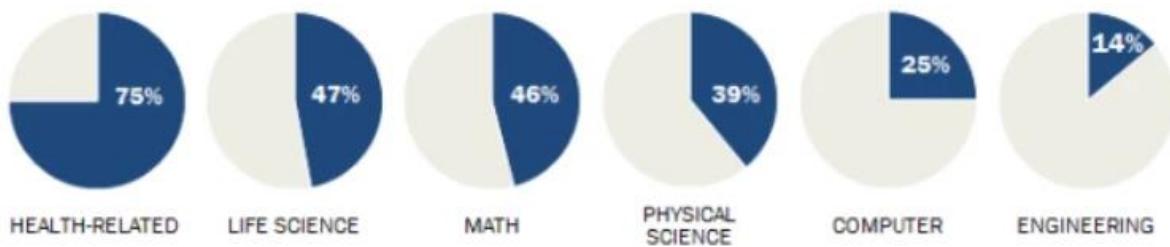


US Congress Joint Economic Committee projects the wage gap will not be balanced until 2059

STEM Education

The share of women in life and physical sciences has gone up but it has gone down for computer jobs since 1990

Share of women in each of the following science, technology, engineering and math occupations over time



Source: Pew Research

Funding

In 2016, female founders raised just \$1.4 billion—or 1.9% of total VC funding. In fact, with the exception of 2014, 2017 marks the largest percentage of total venture dollars.

Female-Founded Companies as a % of Total VC Deals/Dollars

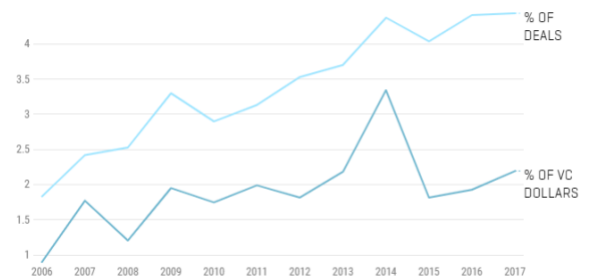


Chart: Valentina Zarya • SOURCE: PitchBook

FORTUNE

Women Focused Resources



Chicago is in its early stages of establishing an infrastructure of available resources, focused primarily on supporting women. We've compiled a list of those organizations, with links, that are dedicated to support women who see themselves as entrepreneurs, leading a start-up, or working their way up the tech management ladder.



DyMynd Angels is an angel investing initiative designed to empower the female investors to get involved in the entrepreneurial space and disrupt the way in which female entrepreneurs access capital.

Mission: Women deserve to be empowered as leaders in business, families, and communities. This is why DyMynd has created a continuum of opportunities for individuals, institutions, and investors to embrace doing finance HER way.



Chicago Innovation's mission is to create a thriving innovation ecosystem in the Chicago region by educating, connecting and celebrating innovators.

The women mentoring co-op (WMC) program connects successful Chicago innovators with women who have a demonstrated interest in innovation and want to grow their businesses and careers in the Chicago region through the support of a mentor.



Women Investment Professionals is a Chicago, Illinois-based, non-profit organization that provides a forum for networking and professional development for women involved in institutional investing, including plan sponsors, investment managers, consultants, accountants and attorneys. Women Investment Professionals achieves this objective through a variety of activities, including quarterly events, committee involvement, philanthropic initiatives, its website and newsletter. WIP provides members access to information on job opportunities



Women Tech Founders (WTF) 501c3 is a powerful collaborative organization advancing women in technology by inspiring, advancing and connecting them with one another in order to drive potential, advance business and ultimately change the world.

From aspiring founders at the forefront of their careers to leading funders seeking to support industry disruptors, WTF uses storytelling, video and networking events, to accelerate their technology-driven dreams.



About CultureFit



CultureFit Technology Staffing has over 20 years of local, IT Recruiting experience and is entrusted to hire permanent and contract employees in Greater Chicagoland and nationwide. Each year, they're charged to recruit, negotiate, and place 100's of open positions with quality talent that meet skill set requirements as well as compliment an organization's culture. Their unique position has afforded them the opportunity to identify hiring trends from both the organization and the talent's perspective.

Keywords: #ChicagoStartUp, #WomenInTechnology, #WomenFounders, #TechnologyInvestment

About CultureFit

CultureFit Technology Staffing brings experience in all types of economic environments to organizations throughout the Greater Chicagoland and Milwaukee areas. With over 20 years of IT staffing experience, they are well versed to partner with companies in any hiring and staffing situation. Each year, they're charged to recruit, negotiate, and place 100's of open positions with quality talent that meet skill set requirements, as well as compliment an organization's culture. Their unique position has afforded them the opportunity to identify hiring trends from both the organizational and talent's perspective.



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