



UNFINISHED BUSINESS:

Women in the Silicon Valley Economy

A P R I L 2 0 0 1



The new economy offers the opportunity to shape work to fit our lives, rather than our lives to fit our work. We would be mad to miss this chance.

• Creating family supports, such as child and elder care, is as fundamental to the new economy infrastructure as fiber optic cable and fast computers. • In many ways our mindsets, practices, and institutions remain locked in the industrial age. It's like trying to add jet engines to a propeller plane. Instead, we must redesign the plane. • Technology offers tremendous flexibility in how we can integrate a number of aspects in our lives. New technology even allows us to watch our children from our monitors, and at the same time we have the flexibility to work from our homes. • These days, people don't have time to go someplace else; we need to bring things into the workplace that will help them develop as full people. • It is important, but not enough, to get women into leadership positions. We must get all of us—men and women—working on the big issues together.



WOMEN OF SILICON VALLEY



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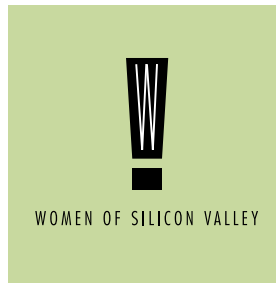
We also acknowledge some people whose “big ideas” influenced this project. Sally Helgesen, for her concepts of the “twin revolutions” and women as “everyday revolutionaries” in the workplace. Helen Wilkinson, for her compelling argument about the importance of caretaking and family to the new economy. Randy Komisar, for his leadership on the “whole life plan.”



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Women of Silicon Valley

is a regional collaboration about the changing role of women in the Silicon Valley economy and community. The project promotes social innovation to achieve the promise of the new economy.

www.womenofsv.org

ADVISORY GROUP

Barbara Beck, Cisco Systems
Sharon Bray, UC Santa Cruz
Denise Brosseau, Forum for Women Entrepreneurs
Judy Buchanan, Bring Me a Book Foundation
Laura Carstenson, Stanford University
Cindy Chavez, City of San Jose
Winnie Chu, Community Foundation Silicon Valley
Leslee Coleman, Solectron
Betsy Collard, Stanford University
Mary Jean Connors, Knight Ridder
Chuck Darrah, San Jose State University
Debra Engel, Investor
Andrea Flores, Office of Supervisor Blanca Alvarado
Karen Greenwood, Nimble Press
MRC Greenwood, UC Santa Cruz
Carl Guardino, Silicon Valley Manufacturing Group

Susan Hammer, former Mayor of San Jose
Peter Hero, Community Foundation Silicon Valley
Martha Kanter, DeAnza College
Roberta Katz, Flywheel Communications
Karen Keane, The Keane Company
Vani Kola, RightWorks
Greg Larson, United Way
Jing Lyman, Social Entrepreneur
Anita MackFarland, Digital Clubhouse
Dianne McKenna, California Transportation Commission
Deborah Meyerson, Stanford University
Becky Morgan, Morgan Family Foundation
Michelle McGurk, Community Foundation Silicon Valley
Carol Muller, MentorNet
Cate Muther, Three Guineas Fund
Susan Nycum, Baker McKenzie
Kate Purmal, Liquid Machines
Annalee Saxenian, UC Berkeley

Gary Serda, Sun Microsystems
Ann Gregg Skeet, American Leadership Forum
Lisa Sonsini, Sobrato Family Foundation
Jewelle Taylor-Gibbs, UC Berkeley
Isabel Valdés, Santiago & Valdés Solutions
Barbara Waugh, Hewlett-Packard
Steve Westly, eBay (former)
Tae Yoo, Cisco Systems

PREPARED BY

Collaborative Economics

Kim Walesh, Project Director
Doug Henton
Chi Nguyen
Liz Brown
John Melville

Field Research

Deborah Jay
Victoria Albright

A PROJECT OF

Community Foundation Silicon Valley • Collaborative Economics

WE ARE...

...A group of 50 regional leaders from a variety of backgrounds and disciplines, ranging from civic organizations to *Fortune* 500 companies, who care deeply about the future of Silicon Valley as a world-class economy and as a successful community.

WE BELIEVE...

...That now is an important time in Silicon Valley's history to take stock. The last decade has brought fundamental change to our economy. We are global, fast moving, and networked. We have new work opportunities, conditions, and requirements for success.



...That with the supergrowth of the last five years subsiding, the time has come to focus on creating a Silicon Valley that is built to last, where our companies, our community, and our most shining asset—our people—can thrive for the long term.



...That Silicon Valley has the potential to realize—but has not yet done so—the upside promise of the new economy: to improve the quality of life and work for everyone.



...That right now, the region is in a transition to a new kind of economy and society. Companies, the community, and people are reacting to economic and social change.

Women of Silicon Valley Is About Leaders Getting in Front of Change

To us, the key question is, “How can we respond proactively to change, so that Silicon Valley becomes a place for an enriching personal and business life while continuing to drive a thriving economy for itself, the state, the country, and the world?”

Although our region stands preeminent in economic innovation, we believe we must now lead in social innovation. Silicon Valley should be a place that leverages innovative spirit and skills to develop the new mind-sets, practices, and institutions that help ensure that the economic change can improve the quality of everyone's lives. As global pioneers of much of what

makes the “new economy” new, we have not only an opportunity but a responsibility to our region and others globally to lead on social innovation. *This is our “unfinished business.”*

Women of Silicon Valley Project

This report tells the story of women in Silicon Valley's changing economy. It describes the significant progress that has occurred in women's economic participation, the unrelenting pressures, and the missed opportunities for women to participate more fully. It also identifies the shared challenges created by women's changing role. It ends with a vision of the promise of the new economy—a desired future for Silicon Valley that is economically vital, socially innovative, and sustainable—and outlines six commitments necessary to achieve the vision.

THE STORY BELOW...

...Is our collective story—a research product we have co-created as participants, observers, and stewards of Silicon Valley. The report is based on a new survey—the largest-ever public survey of women in Silicon Valley—in addition to existing research, interviews, and our collective observations and experiences.

WE HOPE...

...That you find the perspectives, findings, and data thought- and action-provoking.



...That our work raises as many interesting questions as it answers.



...That you will engage with this material and use it in many ways—to celebrate achievements, to prompt discussions, to spur change.

Advisory Group
Women of Silicon Valley

A P R I L 2 0 0 1

We chose this topic for several reasons:

- We care deeply about creating a society that benefits from the talents, passions, and contributions of all its people, including women of all ages, cultures, and backgrounds.
- We believe that a key challenge is to integrate both women and men into professional, private, and community spheres. Women are playing a critical role in transforming and reconnecting these spheres.
- We believe that progress will not happen without good information about what is working and what is not. There has been a dearth of factual information about women in the Silicon Valley economy.

- We believe what development research internationally has shown: When societies make life better for women, life becomes better for everyone.

We want to use our research results to drive a regional and national conversation about needed social innovation in the changing economy.

About the Survey

Women of Silicon Valley sponsored a phone survey of a random sample of 826 women ages 21 to 61 who live in the Silicon Valley region (see regional definition below). The survey was conducted in November 2000 by Field Research and was offered in English and Spanish. Slightly more than 6% of the completed interviews were conducted in Spanish.

Field Research conducted limited weighting of the survey results to ensure that the age and ethnic demographics of the surveyed population matched those projected in the actual population by the California Department of Finance. For a copy of the survey instrument, including overall results, see www.womenofsv.org.

In addition to fielding the survey, the research team compiled quantitative data from secondary sources and conducted more than 75 interviews.

SNAPSHOT OF SURVEY RESPONDENTS	
Age	21–40 (52% “Gen X”) 41–61 (48% “Baby Boomers”)
Education	20% graduate/professional degree 34% college degree 21% technical school/some college 25% high-school diploma or less
Ethnicity	52% White 22% Hispanic 21% Asian/Pacific Islander 4% African American 1% other
Place of Birth	36% in California 30% in other U.S. states 34% outside the U.S.
Household	69% married 22% single 9% living with a partner

Definition of Silicon Valley

The Women of Silicon Valley project adopted the geographic definition of Silicon Valley used by Joint Venture: Silicon Valley in its annual *Index of Silicon Valley: Measuring Progress Toward the Goals of Silicon Valley 2010* (www.jointventure.org). Joint Venture defines Silicon Valley as Santa Clara County plus the adjacent parts of San Mateo, Alameda, and Santa Cruz counties.

All data reflect this definition of Silicon Valley, except where noted.

1 INTRODUCTION: **Silicon Valley Has a New Economy, but the Region Is in Transition**

This new economy—with new competitive realities for organizations and new work arrangements for people—does more than affect business life; changes affect the government, non-profit, and education sectors and are permeating all aspects of daily life. These changes are prevalent in other regions, but especially so in Silicon Valley—which has the highest productivity and concentration of technology workers and firms of any region in America.

The story of women in Silicon Valley today is one of unmistakable progress, but also one of unrelenting pressures and untapped potential. Women have more options than ever before to earn a living and contribute through the workplace. But women are struggling with real pressures that impede their ability to participate and advance. Women’s full potential to contribute to the economy and the region is as yet untapped. And women’s significant, permanent shift from unpaid home and community work to paid employment brings new challenges about how to care for families and community in the new economy.

As a whole, the situation reflects the fact that Silicon Valley is a region in transition. The economy has changed fundamentally, and women are in the workforce in large numbers. People, companies, and communities are clearly reacting to change; they are improvising on a daily basis. But we have gone partway. We have not yet transformed and realigned our workplaces, our communities, and ourselves fundamentally to these new realities.

We can finish the business of transition and realize the full upside potential of economic change to improve all people’s lives.

2 PROGRESS: **Women Have Made Unmistakable Progress**

Women’s Workforce Participation Is a Fact

- The participation of women in the Silicon Valley workforce is nearly universal. Fully 86% of women ages 21 to 61 either are employed (73%) or intend to enter the workforce in the next two years (13%). Some 80% of employed women work full-time; 20% work part-time.
- Almost half (49%) of women in Silicon Valley provide the majority of their household income. This number includes single women as well as 33% of women in marriages/partnerships who provide more than half their household income.

Women Are an Integral Part of Silicon Valley's Technology Workforce

- Some 52% of women do work that primarily involves technology—including software, computers, the Internet, semiconductors, or other high-tech R&D, manufacturing, sales, or service.
- In Silicon Valley, women are an estimated 17% of engineering and science managers and 28% of computer engineers. Women are also 31% of the region's computer programmers, compared to 26% nationally (NOVA Occupational Outlook, U.S. Census Bureau).

Women Lead as Managers/Executives in Civic and Professional Sectors

- Some 40% of local elected officials are women, as are 55% of United Way's 100-plus non-profit agency executives and 45% of Santa Clara County's school superintendents (Joint Venture, United Way).
- Women constitute 43% of professionals and 39% of managers in Silicon Valley's private sector (U.S. Equal Employment Opportunity Commission).

Women Are Increasingly Entrepreneurial, Creating Wealth and Jobs

- Today, 10% of women report that they are independent contractors or free agents. An additional 5% own or co-own a business with employees.
- Some 20% of women report making plans to become self-employed or to start a business in the next three years.
- In 1999, women in Silicon Valley owned 60,500 companies, employing 172,200 people and generating \$24.8 billion in revenue (Santa Clara County, National Foundation for Women Business Owners).

Generally, a Majority of Women See Great Opportunity in Silicon Valley

- Some 51% think advancement opportunities for women are better in Silicon Valley than outside Silicon Valley (41% think they are about the same; 8% think they are better outside).
- Some 57% believe that it is getting easier for women like them to succeed in the Silicon Valley workforce (29% believe it is about the same; 14% believe it is getting harder).

PRESSURES: Women Face Unrelenting Pressures

Pressure to Meet Significant Work, Family, and Community Responsibilities

- The number one source of stress for women is balancing work with personal and family responsibilities. Some 67% say this sometimes or always causes them stress.
- Some 58% of women employed full-time report regularly working more than 40 hours each week, with 18% working more than 50 hours.
- Of women employed full-time, 47% have primary responsibility for managing daily household responsibilities (child care, meals, errands, children's homework), and 46% report having shared responsibility. Only 7% report that someone else has primary responsibility.
- Today, employed women are as likely to volunteer in the community (53%) as women not currently in the workforce (54%).

Pressure to Find Affordable, Quality Child Care

- Some 63% of women believe that the region has not been successful at providing access to affordable child care.
- The number one reason cited by women (36%) as a significant barrier to their employment is “family or child-care responsibilities.”
- Some 48% of women state that on-/near-site child care is extremely or very important to them, but only 19% report having access to such child care in their current employment.
- Only 12% of women who work for private employers have access to on-/near-site child care, compared with 28% of women who work in the nonprofit sector, 29% in the public sector, and 46% in education.

Financial Pressures of Living and Working in Silicon Valley

- Nearly one-fifth (19%) of women in Silicon Valley report that paying for basic needs always causes stress or makes their life difficult. This stress is felt most acutely by women with a high school diploma or less (27%) and single women (26%).
- Nearly one-fifth (19%) of women working full-time in Silicon Valley report earning less than \$25,000 per year. Santa Clara County considers \$25,000 the minimum amount necessary to sustain one adult for one year. Compared with other women, these “working poor” women are less likely to have health-care and retirement benefits and less likely to work in the tech sector. They are more likely to work through a temp agency and to be Hispanic.

Pressure to Conform to “Masculine” Workplace, Especially in Technology

- Some 41% of women in technology believe that they have to “fit into a masculine workplace” in order to advance in their job or career, compared to only 23% of women not in technology.
- Women in technology (28%) are nearly twice as likely as women in other lines of work (15%) to believe that gender has been a significant barrier to advancement in their job or career.
- Some 60% of college-educated women in Silicon Valley believe that advancement opportunities for men are better than for women. Some 38% believe that opportunities are about the same; 2% believe that they are better for women. The higher their level of education and income, the more likely women are to feel at an advancement disadvantage relative to men.

POTENTIAL UNTAPPED:

Where We’re Falling Short

New Economy Depends on, but Magnifies the Challenges for, Low-Skilled Women

- Of the 12 fastest-growing occupations in Silicon Valley, women hold 29% of the high-income jobs (average pay \$72,000) and 61% of the low-income jobs (average pay \$22,000). (NOVA Occupational Outlook).
- Three of the top five significant barriers to job advancement cited by women with a high-school diploma or less were related to their education and training: level of education (52%), lack of technical skills (44%), and inability to speak English fluently (30%). The other two are housing location/cost (47%) and family/child-care responsibilities (46%).

Technology Revolution Is Occurring in Silicon Valley, but Few Female Students Are Interested

- High-school girls enroll in Advanced Placement Math and Science in numbers equal to the numbers of boys who enroll. However, boys in Silicon Valley are nearly three times more likely than girls to enroll in AP Computer Science (California Department of Education).
- A recent survey of Silicon Valley eighth and eleventh graders found that 23% of girls wanted to work in technology fields, compared with 46% of boys, and that 20% of girls planned to pursue technology careers, compared with 36% of boys (Joint Venture/AT Kearney).
- Women's share of engineering degrees from local institutions has stalled at 20% since 1990. The share of computer science degrees awarded to women declined from 33% in 1988 to 29% in 1997.

Women Are Leading, but Remain Rare at the Top of Silicon Valley Corporations

- Though women constitute 39% of managers in Silicon Valley's private sector, they make up only 6% of senior executives at Silicon Valley's largest 150 public companies (EEOC, San Jose Mercury News).
- Four of the largest 150 public companies in Silicon Valley have a woman CEO (Aspect Communications, Hewlett Packard, eBay, Exodus).
- Some 58% of Silicon Valley's Fortune 1000 companies (24 companies) have a woman director on the board, compared to 73% nationally (Catalyst, 1999).

Women Start Companies, but Receive a Small Share of Venture Capital

- Women own approximately 38% of America's businesses, but only 8.2% of venture-capital deals go to companies with women founders (Venture One, Q1/2000).
- Slightly more than 41% of venture capital deals in 2000 went to companies that had a woman on the management team, up from only 21% in 1998 (Venture One, Q1/2000).

Our New Realities Require Flexibility and Control, but Workplaces Are Not Yet Providing Them

- Some 52% of women say that "work that allows time for family and personal interests"—more than any other job quality—is extremely important to them.
- Nearly 40% of GenX women (ages 21 to 40) expect their future career path to be nontraditional: 28% expect to alternate between full- and part-time work; 11% anticipate moving in and out of the workforce over time.
- The greatest disparities in what women value and what employers offer are the opportunity to work at/near home (59% value highly; 37% have) and the option to work part time (68% value highly; 55% have).

5 POSSIBILITY: **Regional Commitment to Social Innovation**

The new economy has not brought all the progress it can to our lives. We have gone partway in aligning our workplaces, our community, and ourselves to new economic and social realities. As a result, we have not yet realized the full potential of the new economy to improve our lives.

Further progress will require social innovation on a regional scale. Economic change creates the need, and provides some of the tools and opportunity, for widespread social innovation. If we are smart, we can pioneer creative solutions to achieve what we want most: time for life, access to opportunity, strong family and community life, a sustainable economy.

The solutions will benefit us all—women, men, and children; companies as well as the community. The broad issues raised in this report affect all of us in Silicon Valley one way or another.

The alternative has costs—personal and social—and, arguably, is not sustainable for companies and the economy of the region. People will not bring their full creative potential to the workplace. Shortages will continue in high-demand occupations. Companies will continue to lose people to the world of self-employment, as people leave organizations to seek flexibility. The region will lose people to other regions that offer the opportunity for quality work and a quality life; we will attract but not retain the world's most talented people. Growing numbers of residents will lack a shared stake in Silicon Valley's future. And, most troubling, we will risk what ultimately matters most: our children and the legacy we leave to future generations.

Six Commitments to Social Innovation

Achieving the full potential of the new economy for women's lives—and for men, companies, and the community—will require that we make six key commitments:

- We redefine “success” as the whole-life approach—work life, home life, and community life.
- We customize paid work to fit our lives, both on a daily basis and over our lifetimes.
- We redouble efforts to make women full partners in the region's technology revolution.
- We reinvent family supports, including child and elder care, aligned with the realities of our lives.
- We raise up women in low-wage positions, ensuring that their work pays and leads somewhere.
- We recreate civic life, for both women and men.

In these ways, Silicon Valley can provide essential leadership not just for the new economic age, but for the new society. Both women and men will benefit enormously from these commitments, and we will be able to say definitively that the new economy has brought progress to our lives. The path forward begins with using the information in this report to spark regional dialogue, connect committed leaders, and measure progress over time.

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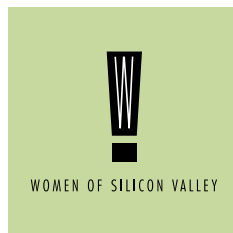
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Judy Buchanan, Debra Engel, Vani Kola, William and Pat Miller
Virginia Johnson, Sheri Stonier-Montoya



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Community Foundation Silicon Valley 60 S. Market Street, Suite 1000 San Jose, CA 95113 www.cfsv.org

Collaborative Economics 350 Cambridge Avenue, Suite 200 Palo Alto, CA 94306 www.coecon.com