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Men Must Change

1992. Redmond, Washington. Consumer Division. Building 17.

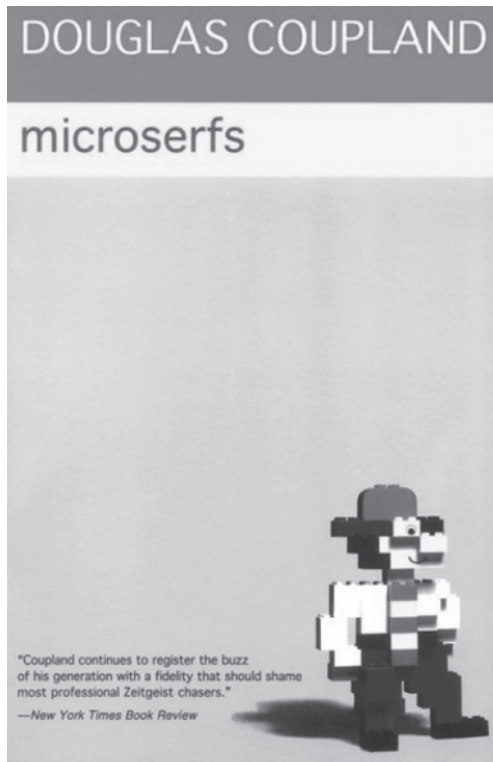
I remember walking the halls of Building 17 in the middle of the night, just days before the deadline for shipping a product, the unmistakable smell of stale pizza in the air, combined with the whiff of half-a-dozen unwashed engineers pulling their third all-nighter.

The early 1990s were heady days for us young punks working in tech. The average age of a Microsoft employee at the time was about 29, but it felt like 19. And the population was overwhelmingly male and almost all white. In between muddy afternoon soccer matches in front of Building 8 and impromptu runs to the local Godfather's restaurant to play grease-buttoned Asteroids, we worked our butts off creating the most innovative technology solutions to everyday problems.

Inventing new product categories was my personal specialty. After abruptly chickening out of law school, I started a games company, which grew to 42 employees at the beginning of the "software renaissance." We made some of the very first games on the Nintendo, Sega, and NEC consoles, each project an exploration in new gaming experiences. When I came to Microsoft to get a "real job," my projects were an interactive TV

show for kids, a web-based episodic comic book in which the pages spoke to you, and eventually the first game console that could push 124,000 polygons per second. We were changing the world one ship cycle at a time, years before Google, Amazon, or Facebook.

One colleague, who was an engineering rock star would routinely spar with CEO “billg” during meetings—and *win*. “No Bill, I think YOU are confused. And here’s why....” We learned that loud and assertive was good. Might was right, and bravado ruled the roost. My friend, whose father was a retired engineer at Boeing, never missed an opportunity to remind his dad that our upstart software company that made the future out of thin air and brainpower boasted a higher market cap than the leading aerospace company of seven decades and billions in hard assets. Our stock option grants made us multimillionaires in our twenties, and the ideas we



Douglas Coupland’s poignant capture of Microsoft’s early culture.

pitched got funded and became divisions. We sincerely believed ourselves to be a *true* meritocracy, and the seeds of “brogrammer” culture were sown.

There were very few female colleagues working on products with us, so when we dated, we looked aspirationally to the “HR babes” in Building 24. They were refined, pretty, and smart while we languished in a man-child state. We treated them with a sort of geeky reverence. When one walked into the room, the energy would change palpably. We intuitively stopped being complete dorks and occasionally old-fashioned Edwardian-like romances budded. To this day, I smile when I see some of these still-married couples. And the few amazing women who were in management, leading product, or on technical teams, most of them knew better than to waste their time on us. They dated up in the stratosphere and deservedly so.

Welcome to Man Island

Then starting in the mid-1990s, we began to notice that the women at all levels in product groups started to leave, but we couldn’t figure out why. Looking back, it’s obvious: the culture was becoming unfriendly. For example, during an exhaustive candidate search for an open position, I recall one meeting with a male group manager who brashly stated his preference for the type of program manager leader we needed to hire: “I want to hear his balls clacking when he walks down the hall!”

Rather than being a conventional computer nerd, I was a scholar athlete who varsity lettered and was voted student body president. I generally traversed all social strata—friends with jocks, stoners, and computer lab geeks alike. At Microsoft, my photo was used in their recruiting brochure for several years, while I was routinely tapped to do public presentations on stage with CEO Bill Gates as a sort of amicable young company spokesperson. I enjoyed demoing new product offerings to developers, financial analysts, and movie studio execs with humor and lightheartedness not often associated with Microsoft’s staid corporate persona. I remember thinking, “We’re starting to become cool, coming out of geekdom.” But, at the same time, in the then fast-growing games group, I saw some colleagues’ offices down the hall be adorned with posters of big-busted female characters from video games. A few of these guys routinely compared notes on whose booth at E3

had the hottest models. At the lowest point, one shocking team meeting in the division cafeteria featured scantily clad “nurses” passing out Jello shots as a sort of morale booster. Facepalm.

Amid this budding “bro culture,” some product divisions started to fall below a critical mass threshold of 13 to 15 percent women, entering a gender-biased death spiral the team would never recover from. The percentage of consumer products commissioned by the company targeted to women grew less and less. Gone were the Lifestyle Products Division, the Kids & Games Product Unit, and things like Encarta were defunded. There was no slide in anyone’s PowerPoint deck that said, “Let’s be a bunch of guys making products for guys.” Yet that’s what happened in certain divisions of the company. They were great teams with great leaders, but something was wrong. As one female colleague after another left, I wondered: Which came first, the chicken or the egg? Were women leaving because there were so few women wanting to join? Or were women afraid to join the division because they could see women were leaving?

The Sad Truth of the Here and Now

It’s now 2017 and things don’t seem better; they seem worse. Workplace culture at some of the high-valued new economy companies such as Uber, Snap, or Binary Capital has been highly unfriendly to women, bolstered by a new crop of male leaders who seem to have taken us back in time. And while most men in positions of leadership do not create horrible cultures, it is the overall tolerance for the bad outliers that allows institutionalized sexism to affect us all, even if we are certain we can’t be sexist.

To better understand the very special way that sexism occurs in tech from a successful woman’s perspective, Linda Kozlowski offers a position rooted in social dynamics between women and men during their formative young adult years. Kozlowski is a veteran tech executive who worked at Alibaba and now serves as chief operating officer of Etsy. She explains what she calls the “dork” factor in Silicon Valley, from the perspective of being a self-admitted female dork.

Tech overall is a very new industry. If you were in the 80s and writing a book about lawyers or Wall Street, the debauchery and the ridiculousness that you would see was just as insane. Ultimately it’s a male-dominated

workforce and tech is mainly made up of two main groups of people to start: (1) computer scientists or someone studying engineering or some kind of science that tends to be more male, and (2) the MBA set, which is changing but historically has definitely been more male.

It starts with this idea that you definitely hire people who look like you. When everyone in the company is younger to start, that's only exacerbated. Now let's add in another dynamic. You are incredibly awkward. You probably weren't that popular in high school or anything else. You were a dork. And, by the way, I'm dorky, so this is not an insult.

In college you are *encouraged* to hit on that girl. That's what college is about. You are going to parties. You see a cute girl in class and hitting on this girl is perfectly sanctioned and acceptable. You aren't working with that person. You are in class with them. You are encouraged to the *n*th degree to go and hit on this girl (assuming that you are straight). She's probably a little dorky herself. And suddenly you're starting to meet more and more people who are like you and the environment is like: "You should meet a girl like yourself. You should go to parties. You should hang out and have fun." That's the environment. There are no professional boundaries in the school environment.

So you get spit out of college as a computer science major, and you go straight into a big successful tech company where they are paying you a ton of money. All of a sudden you have power. You are in Silicon Valley where engineers are king. So you've gone from dork four years ago to Homecoming King, getting paid a ton of money. You're sitting next to those same women you were in class with, and what do you do? So, why are we shocked that this is happening?

Why are we shocked? This is something that the gender dynamic changes over time. It requires parents teaching different skills. This goes back to: are you given a doll or are you given a truck? There is so much of this that is formed from a very early age.

Kozlowski also attributes the amount of sexual harassment in tech to the fact that startups are antiestablishment. And often tech employees aren't formally mandated to attend diversity and inclusion workshops, safe-space training sensitivity, or workplace habit training that most Fortune 500 or established companies require. In fact, she says the culture of startups with their emphasis on youth tend to bristle at the notion of doing anything that is considered traditional.

Example A of male tone-deaf behavior is an email sent from former Uber CEO Travis Kalanick to his entire company in the early heady days

after Uber's very successful launch. Today the company is valued at \$60–\$70 billion and has revolutionized personal transportation. Behind closed doors, Uber had created a dysfunctional culture unfriendly to women and men alike. Even 20 years ago, talk of drunkenness and sex with coworkers would have seemed unconscionable. We have taken a huge step backward indeed. (Bold highlights below are my emphasis.)

----- Forwarded message -----
From: Travis Kalanick
Date: Friday, October 25, 2013
Subject: 九 Info: URGENT, URGENT - READ THIS NOW OR ELSE!!!!
To: Uber Team
Hey guys, I wanted to get some important information out there. I've put together a Q&A that we can use when other folks ask what we're doing here, and have some DOs and DON'Ts for our time here in Miami.
You better read this or I'll kick your ass.

I have gotten a list of concerns from the legal department. I have translated these concerns into a clear set of common sense guidelines. I've also added a few items of my own.
DON'Ts:
1) No lives should begin or end at 九 2) We do not have a budget to bail anyone out of jail. Don't be that guy. #CLM
3) Do not throw large kegs off of tall buildings. Please talk to Ryan McKillen and Amos Barreto for specific insights on this topic.

4) Do not have sex with another employee UNLESS a) you have asked that person for that privilege and they have responded with an emphatic “YES! I will have sex with you” AND b) the two (or more) of you do not work in the same chain of command. Yes, that means that Travis will be celibate on this trip. #CEOLife #FML
5) Drugs and narcotics will not be tolerated unless you have the appropriate medicinal licensing.
6) There will be a \$200 puke charge for any public displays on the Shore Club premises. Shore Club will be required to send pictures as proof.
7) DO NOT TALK TO PRESS. Send all press inquiries to Andrew - anoyes@uber.com Additionally, stay vigilant about making sure people don't infiltrate our event. If and when you find yourself talking to a non-Uber (look for the wristband), keep confidential stuff confidential . . . no rev figures, driver figures, trip figures . . . don't talk about internal process, and don't talk about initiatives that have not already launched.

DOs:
1) Have a great fucking time. This is a celebration! We've all earned it.
2) Share good music. Digital DJs are encouraged to share their beats poolside.
3) Go out of your way to meet as many of your fellow uberettos as you can.
4) If you haven't figured it out yet, Miami's transportation sucks ass. #Slang as many Miamians, drivers, influencers as you can as passionately as you can and let them know why Uber will make this great city an even better place. Every slang matters. #MiamiNeedsUber . . .
5) If someone asks to meet the CEO and Founder of Uber, kindly introduce him to Max Crowley.

I don't think it's necessary for me to explain all that is wrong with this email. From its encouragement of immature fraternity-style partying to its cavalier reference to getting consent from a coworker for sex, it was initially shocking to me that this was okay at Uber for eight years, leading to the kind of culture former employees describe as toxic.

And It's Complicated

I have also learned that any substantive discourse on sexism is more complex. And it is far too easy to paint public figures as villains and heroes from looking at the surface. Here is the complicated truth. While the bone-headedness of this "party" email might be seared into the hard drive of the American public and women who take offense with its tone, and deservedly so, it is also true that one of Kalanick's first moves as CEO in 2011 was to hire Salle Yoo, a steely female partner from Davis Wright as Uber's general counsel. With Kalanick's support, Yoo quickly developed a reputation for a thoughtful progressive approach to ensuring gender equality in both workforce numbers and pay.

Yoo famously created a revolutionary formula at Uber for hiring a diverse workforce: (1) Hire women to senior positions. (2) Pay them the same as men.

Salle Yoo: Fortune November 3, 2015

While I was working at the law firm Davis Wright Tremaine, the ABA Journal published a story called "Early Exits," noting that nearly 100% of minority women lawyers leave their law firm within eight years. In other words, the probability that a minority woman associate would move up to partner was basically zero.

This was 2006, and the story made me dig in my heels at my own firm and think, "I'm going to learn how to make partner and then teach other women how to advance."

Well, I stayed at the law firm for 13 years, and yes, I made partner. And then, in 2012, I joined Uber as its first lawyer and employee No. 102. Over the past three years, as Uber's general counsel, I grew the legal team to over 120.

My first five hires were women. I wasn't looking for women specifically. I set out to hire the best lawyers and legal team members to serve the needs of a quickly scaling company. I sought smart legal professionals who aligned with my vision that we would be partners in growth and who would thrive with the pace and pressure of a startup. As we've grown, my team has diversified, but one fact is notable: My female leads tend to build teams that are far more diverse, even beyond gender.

Being intentional about who you place at the top matters because of the flow-down effect. So it's ever critical who you put there.

I also take a data-driven approach in striving towards pay equity. Before any offer is made to a potential hire, I require that HR provide me with an updated chart that identifies compensation information for every hire in my department in the last year, by job level. This chart gives me the ability to double-check that men and women who have equivalent experience and are going into equivalent jobs receive equivalent salaries. Ensuring parity on the way is key; otherwise, the delta will simply grow over time.

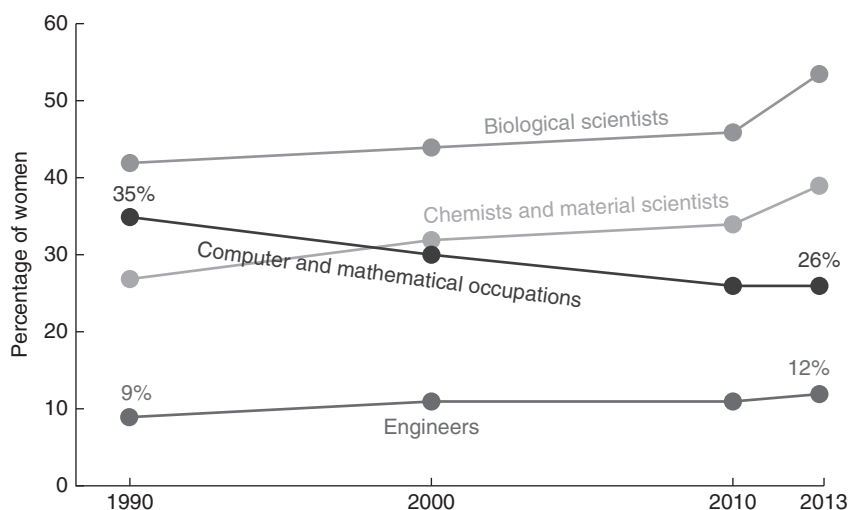
Kalanick also brought on Rachel Whetstone from Google Ventures. I would argue that no traditionally “sexist” male CEO would bring in strong women like Yoo and Whetstone as part of core executive management team and allow them the independence to deliberately pursue diversity goals. In the researching of this book, I also learned Kalanick generously mentored female entrepreneurs. One of them, Melody McCloskey, CEO of StyleSeat, credits the Uber CEO with guiding her on how to successfully pitch all male VC’s for funding money for her then fledgling company. And yet, as the very public news-making case of former Uber engineer Susan Fowler (whose superior retaliated when she refused to date him) makes crystal clear: the environment for female engineers became hostile and Uber failed to do its job as a company in supporting them.

I believe that the CEO should ultimately own company culture and employee morale (among other things). But the issue of Uber’s culture appears far more complicated and nuanced than I first thought. I have learned an important lesson. I now argue that in order for us to have meaningful discourse about gender equality that derives real solutions, we need

to move past headlines or personas and into systemic root causes and much more fundamental forces at play. Let's not simply rage against the bad guy. Let's instead rage against the machine.

The Bigger Picture

Uber's trials/struggles are symptomatic of occurrences at larger companies in other industries. So what about the bigger picture of what's going on in America today? For me, it's just as unbelievable that the Equal Rights Amendment has still not been ratified and women still earn 79 cents to every man's \$1. In supposedly our most progressive segment of business, the tech sector, women represent fewer than 30 percent of the total workforce. This situation is even more abysmal in actual technical positions, where it is at a "high" of 17 percent at Google, and 10 percent at Twitter. Many are making courageous efforts to improve, but these numbers have been steadily declining since 1991, and we desperately need to figure out why.



Women in selected STEM occupations, 1990–2013.

Sheryl Sandberg, the Facebook chief operating officer whose influential book *Lean In* offered a noble call to action that encouraged women to

demand a seat at the table, take risks, and seek challenges, and asked men to realize the benefits of supporting women both in the workplace and at home, inspired many women and catalyzed a national conversation about gender equality. However, while “leaning in” was a necessary and brilliant step, it still accepts that women must advance *within* the current framework. I have a slight problem with this.

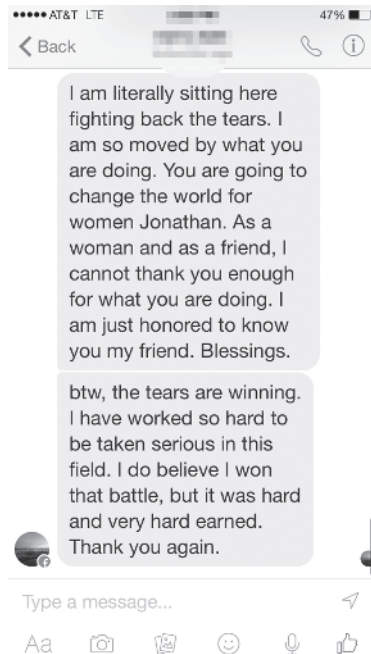
In 2015, software engineer Kate Heddleston, who attended Hackbright Academy’s all-female computer coding course, remarked,

Women in tech are the canary in the coal mine. Normally when the canary in the coal mine starts dying you know the environment is toxic and you should get out. Instead, the tech industry is looking at the canary, wondering why it can’t breathe, saying “Lean in, canary. Lean in!” When one canary dies they get a new one because getting more canaries is how you fix the lack of canaries, right? Except the problem is that there isn’t enough oxygen in the coal mine, not that there are too few canaries.

One Small Step for Womankind

As far as I’m concerned, it’s time to do more than just ask women and men to lean in (that’s a great first step). It’s time to also give them the air they need to breathe. And so, in 2015, I decided to do my part by making a bold promise. I stated at an investor’s conference that I would only invest in tech companies led by at least one female founder. I made this pledge because I believe that women make amazing entrepreneurs and leaders and that companies are simply better when there is a mix of both men and women. I did it because studies show that tech startups with at least one female founder hire twice as many women as companies with male-only founders. I did it because I wanted to help women get the most basic things they required to thrive and succeed.

While I knew the statement would be controversial, I was surprised at the vociferousness of the responses. From many women, I received a deluge of heartwarming expressions of thanks.



Text from a seasoned female executive.



Text from another seasoned female executive.

There were lots of men who offered positive support as well. But from more men than I expected, I also received a preponderance of negative responses. I can divide their reactions up into four groups:

1. The “don’t we live in a perfect meritocracy?” reaction:



john m. · 4 months ago

Most epic stupid idea ever. Stupid. Stupid. Stupid. Now even a low-performing woman could be hired just to meet the “quota” and get funded. Evolution and success will always be based on having the BEST people and ideas regardless of gender.

5 ^ | v · Reply · Share ·



plasmacutter → Nick · 4 months ago

Spoken like someone who doesn't work in tech. My floor has 80 people, I'm one of 4 white men and the only non-minority on my team, except this is california, which became hispanic majority a few years ago, so where's my hegemonistic privilege? (technically, I'm jewish).

Our head of dev is a woman of color with 15 years in the field. Instead of crying about sexism and demanding preferential sexism, she worked hard as a coder and team player to become what she is today.

3 ^ | v · Reply · Share ·

2. The “it’s obviously a pipeline problem” argument:



plasmacutter → COMMONce...

9 hours ago



Even those who can code find themselves unsuited to high pressure environments and experience a lot of friction. We lean heavily female in our candidate screening for the sake of “diversity”, yet only 1 in 10 applicants are female because very few women go into tech period, and 90% of our female hires over the last 5 years have had an in-firm lifespan of 8 months or less.

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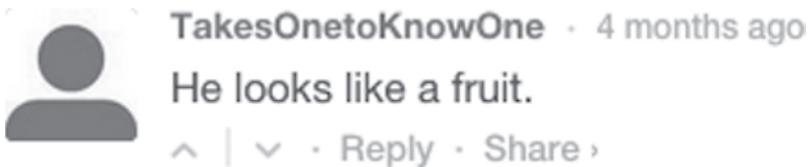


Reply

3. The “I am a white male and fed up with being the bad guy” lament:



4. And my absolute favorite, “He must be a fag” comment. (Which I take as a compliment!)



It became clear to me that in order for us to change the system, we must catalyze these men to look at themselves and their own attitudes. Let's continue talking here.

Since it's still mostly men who invest and start companies (93 percent of VCs), manage employees (94.2 percent of CEOs), and sit on boards (80 percent of board seats), it goes to reason that it's men who are resisting change whether overtly or tacitly. It's us men who are metering the oxygen and causing the canaries to flee. And men, myself included, need to look hard at that.

When I returned to the United States at nine years old and reunited with my mom, she told me the greatest thing about this country was that anyone could be anything they wanted, as long as they worked hard, made good choices, and surrounded themselves with quality people. She instilled both an unfailing belief in myself and a confidence that the system was fair. I now realize this is true for only some of us. That's why today, I want to be a part of the worldwide effort to make gender equality in business a reality.

Night of the Living Bros

Walking into a steely high-rise in downtown San Francisco, Joyce and Katherine were very nervous. Nervous because heavy construction had made them horribly late. Nervous because they argued (like all startup founders do) over their pitch deck's numbers on estimated revenue. Nervous because Katherine's seven-year-old was sick at home, vomiting Cheerios under the care of a brand-new sitter. And, finally, nervous because they were meeting with one of the most successful venture capital firms in the country: they were kingmakers.

For any fledgling startup, a pitch meeting with this firm is like running the gauntlet; you have to present a perfectly reasoned argument with elegantly construed numbers around a sparkingly original business opportunity—and withstand an onslaught of detailed questions, data drill-downs, and razor-sharp critiques. But if you survive, you'll be awarded potentially millions in funding, access to top-quality talent to fill your startup's ranks, and the very best advice for growth.

Joyce and Katherine made their pitch with aplomb and alacrity. But they were first-time entrepreneurs who held nontechnical positions at their former companies, and their product targeted women. At the end of the session, Joyce ventured the critical question: "So what are our next steps?"

This is the moment when many women founders face a crushing blow: the recognition that their future success hangs by a thread from the subjective decisions of usually a group of men living in a men's world.

“This fashion category is not a category we’re particularly interested in.”

“We’re sorry, but you don’t have a technical cofounder, come back when you have a CTO.”

“We like the idea, but we don’t think you’ve got the . . . experience . . . to conquer the odds.”

“It’s a great pitch, but the product is for women. I’m going to have to go home and talk to my wife about it.”

Joyce and Katherine never got their funding from any venture capital firm. Instead, they relied on an informal network of individual “angel” investors who funded their first round. I liked their idea very much, and I am proud to say I led their angel round.

Women Don’t Get Funded

Right now, a paltry 7 percent of all technology companies that get funded are female-founded. The percentage of venture money going to female CEOs is just 3 percent.* This is true despite the fact that greater than half of all college graduates today are women and that, for STEM degrees in particular, the percentage of female graduates has been steadily approaching 50 percent over the past two decades. At the board level, women hold only 7.3 percent of all board seats in the U.S. tech industry.

To better understand why the business of venture capital and startups remains a bastion of white males, Canaan Partner’s Maha Ibrahim explains that success in the game of funding startups is directly linked to “managing risk.” In addition to a BA and PhD in economics, Ibrahim holds an MA in sociology from Stanford.

I’m going to equate starting a company to roulette. If I’m a venture investor, I get to have ten chips and I can set those ten chips on ten different numbers. If I’m a private company founder, I have one chip

*<https://pando.com/2016/02/17/female-founder-raising-venture-capital-your-odds-are-even-worse-i-thought/>.

and I'm playing roulette. That one chip means that I'm all in on one number. The risk is incredibly high. It's high personally, financially and professionally. I am sacrificing everything to make an idea work.

Ibrahim says managing risk for VCs and tech founders means staying in one's comfort zone and sticking with who and what you know:

These startups begin as small groups. They are small, homogenous groups for the most part because those founders are trying to eliminate risk. That small group similarity might be that they were all in the same engineering class at Stanford or that they're all in the same fraternity or they all have an e-commerce background.

Small groups tend to be homogeneous, and that's well understood in social. When somebody starts a private company with three other people or two other people, they look around for similarities. They look to control what they can control. People are trying to eliminate or minimize risk, and that, I think, is why most startups aren't very diverse.

Until they get to some number, maybe it's 15, maybe it's 20, maybe it's 30, where they actually have to start thinking about hiring for the best and the brightest as opposed to hiring for similarities and comfort.

In contrast, the Institute of Women's Policy Research (IWPR) has estimated that 30 percent of all businesses are owned by women.* While this statistic is heartening about the larger business landscape in the United States, it also serves to point up tech's shortcomings with regards to women. As an angel investor who hears pitches constantly, and as a CEO who creates gender-balanced teams, I see no shortage of highly qualified female candidates *every day*. I am fairly certain that there is no pipeline problem. If a company or team has a low female ratio, the problem is somewhere between the source and the end point.

According to a recent survey by Silicon Valley Bank, a leading provider of financial services to tech companies on the West Coast, nearly twice

*<https://www.theatlantic.com/business/archive/2015/04/women-are-owning-more-and-more-small-businesses/390642/>.

as many women (27 percent) said that the current fund-raising climate is “extremely challenging” versus male-founded companies. This same survey also found that 20 percent of female-founded companies were utterly unsuccessful raising money in 2016 versus only 13 percent of male ones. In the vast majority of the cases, the challenges are subtle, systemic, and the result of male-oriented pattern matching, like in the case of Joyce and Katherine. Sadly, in other instances, the challenges are harrowingly overt and more personal.

Getting Harassed Is Part of the Hustle

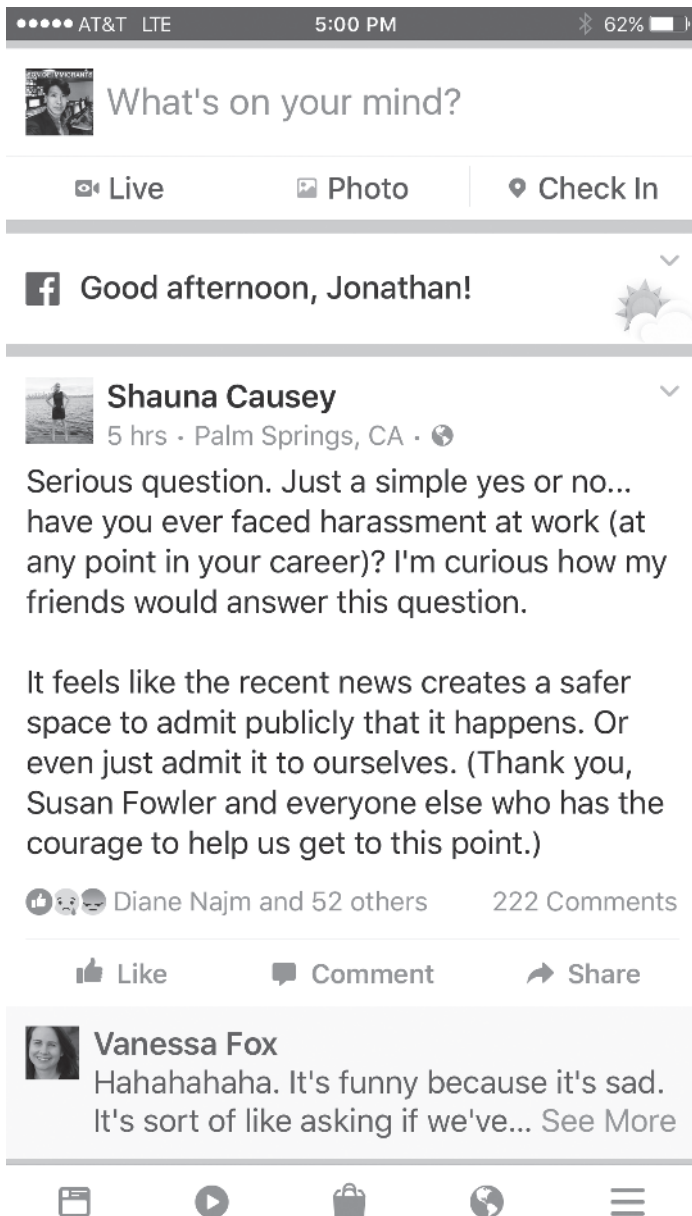
Chakira was born to be an entrepreneur. Growing up in Paris and of East Indian descent, she had the drive and the *savoir-faire* of an achiever. When she moved to Silicon Valley, she made quick work of getting to know key players, and soon enough, she was making great progress toward her life-long goal of becoming a successful founder and CEO. She led a crackerjack engineering team and was pitching her business plan to carefully targeted investors.

But on a cloudy Tuesday afternoon in Seattle, Chakira took a brief pause from her pitch and waxed gloomy about the prospects for her big data startup. When I asked how the fund-raising was going, she slowed and thought deliberately about her next words.

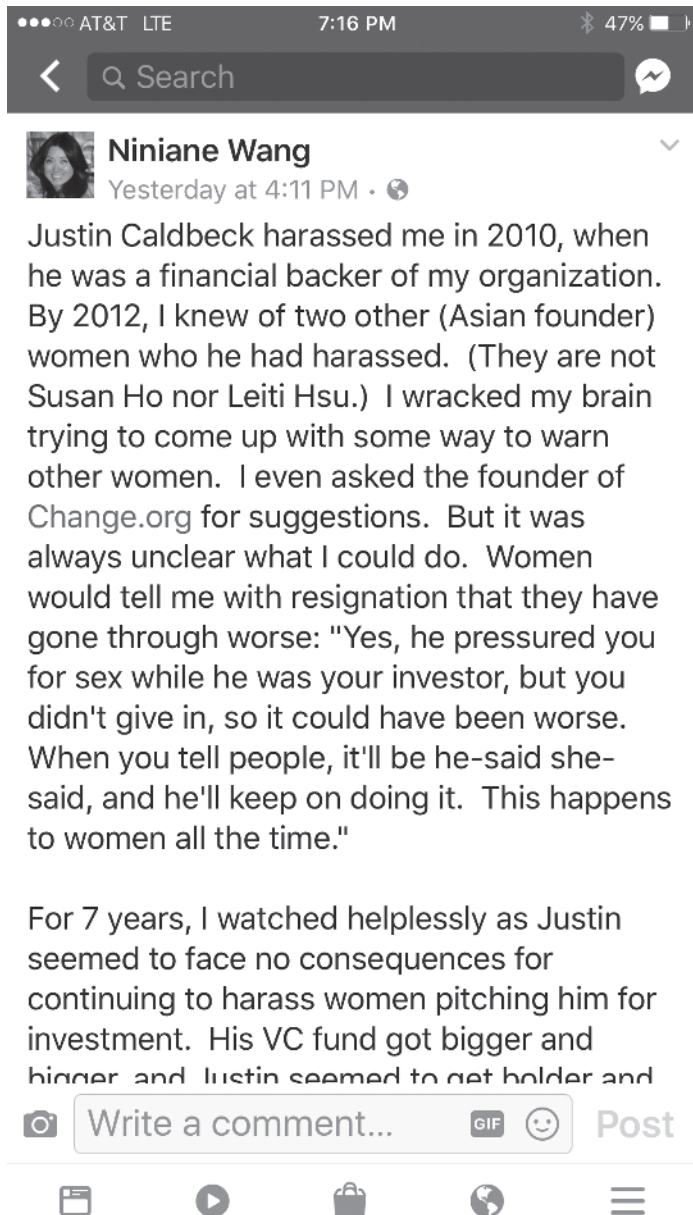
I am just a little tired of having to always wear this fake wedding ring so guys I meet while pitching won't hit on me. It's hard enough as it is. It just adds that much more to deal with.

I was a little stunned. It was like watching a 30-year-old NBA all-star at the top of her game describing excruciating knee pain she'd been dealing with for years.

Soon after, I came across this post by my good friend Shauna Causey, another successful entrepreneur with multiple exits, who asked, on Facebook, “Have you ever faced sexual harassment at work?” Within a few hours, she received over 300 comments, with many answering, “Yes.”



And as if on cue, later that day a former colleague with whom I worked at both Microsoft and Google, Niniane Wang, went public with her own story about sexual harassment at the hands of venture capitalist Justin Caldbeck, who had invested in her company:



I could think of no parallels for men. While there are a few cases of men encountering unwanted advances, the vast majority of men in business simply don't have to deal with this additional overhead of interpreting the motives of a male colleague in a position of power. As the inspiring leader of LinkedIn, Reid Hoffman stated shortly after Niniane's story broke:

VCs should understand that they have the same moral position to the entrepreneurs they interact with that a manager has to an employee, or a college professor to a student. That is to say, as soon as you start discussing potential business deals of any kind with an entrepreneur, there is no such thing as an innocent or appropriate sexual proposition or remark.*

Where does it start? Stanford law professor Michele Dauber recently told *Pando Daily*[†] that she repeatedly sees young women come to Stanford "full of hope and excitement about becoming entrepreneurs. And then some 43 percent of them endure some kind of sexual assault or misconduct and spend their freshman year grappling with that, while the men who deserve so many second chances spend their time networking in the tech world."[‡]

When massively valued tech companies can begin in garages and college dorms, we need to also take stock of what happens in those places and whether the system, from its very roots, supports and enables the behaviors we're seeing in the workplace.

The point is that men are still metering the oxygen in the room, and just a very, very few are causing it to stink. The vast majority of business leaders are good. But the key point here is that if you are a woman raising money, you not only have to deal with the baseline of "an extremely challenging" fund-raising environment, but occasionally deal with the extra credit "stuff." The decks are stacked indeed.

Under normal circumstances, the principal decision makers who hold the keys to the kingdom (VCs) are overwhelmingly male at 93 percent, and it is they who decide where and how these dollars are allocated. This is a

*Reid Hoffman, "The Human Rights of Women Entrepreneurs," *Medium*, June 23, 2017.

†Sarah Lacy, "The Valley Faced a Big Test in the Last Few Weeks. It Failed. What Now?" *Pando*, March 9, 2017.

‡Ibid.

male–female ratio among decision makers of 13 to 1. On corporate boards of Fortune 500 companies, the ratio is 5 to 1. And in the C-suite of these same companies? Also about 5 to 1. When the decision-making nexus is so overwhelmingly one-sided, women as the out-group don't get favorable results. Cause and effect. And when you add barriers such as those Chakira faced, it is nearly enough to make one give up. As Seattle venture capitalist Heather Redman wrote:

[We] view the solution as much more systemic. It has to do with having *diverse teams at the highest levels of power* in our ecosystem. If Justin Caldbeck were an associate in his firm, he would not have harassed a partner. If Justin were a founder, he would not have harassed a woman VC from whom he was seeking funding. Justin would not have harassed a chief investment officer at one of his LPs. If Justin's other general partner had been a woman, he'd have been much less likely to harass any woman, even one subordinate to him in power.

The tech industry just happens to be the newest instance of this century-long problem in business as a whole. Fact is, no business sector in this country has gotten this completely right. Nationally it's not just that women earn less than men, they also earn less than men at every educational level and, in some cases, earn less than men who have lower qualifications at the same job. And in government, arguably where broad social priorities can be set, women still only compose about 20 percent of the legislature, 4 out of 50 state governors are women, and we still do not have a female president in the twenty-first century.

Even in industries where we assume women have near equal visibility, such as entertainment or music, the disparities are equally severe. When actor Natalie Portman starred in a 2011 film with male actor Ashton Kutcher, she had had more acting experience, higher international recognition, and a clear history of much bigger box office successes (*The Professional*, the Star Wars films, *Black Swan*) than her male costar. Yet Portman was paid just *one-third as much* as Kutcher. When their salaries were publicly disclosed, she said: "We just have a clear issue with women not having the same opportunities. **And men need to be part of the solution, not perpetuating the problem.**"

Portman makes a great point. Women have been speaking out powerfully and passionately for decades, but we seemed to have made incremental

progress. The problem now lies in the fact that many men in positions of power haven't changed enough.

And, of course, I grant that it is hard to see the problem from the inside. I've been there myself. When you are part of the very framework that is causing an out-group to be disadvantaged, the dynamics are subtle and usually unintentional. From NAP.edu research on the four kinds of discrimination:



Vice President Pence ✓

@VP

 Follow

Appreciated joining @POTUS for meeting with the Freedom Caucus again today. This is it.
#PassTheBill

11:21 AM - 23 Mar 2017



1,447



5,627

Um . . . these are the people deciding our healthcare laws.

The main effect of subtle prejudice seems to be to favor the in-group rather than to directly disadvantage the out-group; in this sense, such prejudice is ambiguous rather than unambiguous. That is, the prejudice could indicate greater liking for the majority rather than greater disliking for the minority. As a practical matter, in a zero-sum setting, in-group advantage often results in the same outcome as out-group disadvantage but not always. Empirically, in-group members spontaneously reward the in-group, allocating discretionary resources to their own kind and thereby relatively disadvantaging the out-group (Brewer and Brown, 1998). People spontaneously view their own in-groups (but not the out-group) in a positive light, attributing its strengths to the essence of what makes a person part of the in-group (genes being a major example). The out-group's alleged defects are used to justify these behaviors. These ambiguous allocations and attributions constitute another subtle form of discrimination. (<https://www.nap.edu/read/10887/chapter/7#58>)

Men Must Be Part of the Solution

Surely, we can agree, as a broader business community, that we want better business results. We can also all agree as a society that gender equality is morally right. And if we are to make these great positive changes happen, the changes need to be joined and co-led by men. I strongly believe that men must now join in the change. Because it is still men who are metering the oxygen. Because it is still men who are currently still in control. And men in boardrooms are still the kingmakers who can ignite the fire to start great companies and dictate who else gets to be in the boardroom. Men like Travis Kalanick of Uber are the bosses and architects of company cultures, influencing what is acceptable workplace behavior. Men like Harvey Weinstein, Roger Ailes, and Bill O'Reilly victimize women with grave consequences to their work place cultures. Their companies are forever tarnished by having harbored these predators. And men like Donald Trump model behavior toward women to millions who admire him in the national spotlight and with the fixation of the media. If women are to get ahead, the agents who perpetuate sexism must stop. *Men must change, and men must take part in changing the broken parts of the system.* I invite all men out there to join me.

I think it is super important for men to be seen as gender advocates, because . . . 85 percent of our leaders are men . . . and if they are not

gender advocates, then the culture won't change—we won't have the right environment. (National Center for Women in Technology, <https://www.ncwit.org/resources/male-advocates-and-allies-promoting-gender-diversity-technology-workplaces>)

And when we get this right, I know the benefits can be spectacular. As a direct result of gender-balanced teams that deeply understood their customer's desires and created brilliant products, several of my companies grew to achieve massive scale (up to 60 million unique users a month). My good friend Glenn Kelman's successful real estate company Redfin exhibited 25 percent year-over-year growth when the women in their workforce climbed from 10 percent to 35 percent. They recently IPO-ed in July 2017 at \$1.73 billion. Another Seattle based tech giant Zillow recently received acknowledgment from *Fortune* magazine as one of the "Best Workplaces for Women," due to a very deep C-suite bench of senior leaders (both men and women) who have worked just as hard on gender and diversity goals as any conventional business objective. Frankly, I think the Seattle tech ecosystem will eventually lead the way on gender equality, and be a model for other tech hubs to follow.

And as we extend higher leadership positions to more women, the results are even more fantastic long term. Here are some facts that we need to make much more known:

- 80 women CEOs that the Boston research firm Quontopian followed during a 12-year study (2002–2014) were observed to produce equity returns for their shareholders of 226 percent better than the S&P 500 (<http://fortune.com/2015/03/03/women-led-companies-perform-three-times-better-than-the-sp-500/>).
- Credit Suisse found that companies with a female CEO had a return on equity averaging about 19 percent higher and dividend payouts about 9 percent higher than companies with a male CEO (<https://www.cnbc.com/2016/09/25/female-ceos-board-members-super-charge-company-returns-credit-suisse-report.html>).
- Companies with three or more women board members outperformed companies with zero women board members by 46 (return of equity) (www.catalyst.org/system/files/the_bottom_line_corporate_performance_and_women%27s_representation_on_boards_%282004-2008%29.pdf).
- A survey conducted by women.vc found that female general partners at venture firms outperformed the industry average at a 3.78x a net return

multiple. This is all the more impressive because women VCs are often segregated into areas that don't produce the highest returns; corporate VC groups, health care, and life sciences, or ecommerce where the largest "unicorn" valuations are rare (<https://pando.com/2016/09/01/need-more-evidence-female-vcs-dont-lower-standards-industry-wide-female-partners-outperform-average/>).

Frankly, I am shocked that more of these data points don't make bigger headlines. At the Aspen Institute, I once heard former Commander of Joint Special Operations Command General Stanley McChrystal speak of the need to channel much more research dollars into understanding newer, unexplored leadership styles that don't fit squarely into conventional profiles. I think he's onto something here, and I would suggest looking at women. I believe that advancing more women in the workplace and particularly in leadership is one way to unlock *new value* in corporate America.

Be a Change Master

Business consultant Ralph Bruksos famously wrote in his best seller *Turning Change into a Payday* that there are three distinct types of individuals in any revolution. I like his no-nonsense terminology, and with apologies to him, I will modify it to apply to three distinct profiles of men confronted with issues of gender equity in the workplace:

1. **Change Negatives.** These are people who deny change; they resist signals indicating that change is even necessary. On this issue of gender equality, these are men who are not only apathetic, but they don't understand why the issue matters. They may also believe that the world is already a meritocracy, or that in advocating for women we are actually guilty of reverse bias or reverse sexism. There is also fear that it's a zero-sum game, and there will be fewer opportunities for men if women are given more opportunity. These are the toughest cases. But even to this group, our solutions will apply if they only hear us.
2. **Change Neutrals.** They are those who neither help nor hinder. They go along for the ride. They are unwittingly in the bubble and agents of the ambiguous and unconscious prejudice described by the National Academies Press. But they can be a powerful force if you activate them. These men might simply have a lack of awareness, believe that the issue is just "too big," the rationale for change unclear, or lack time, given competing priorities.

I myself was a part of this group. I believe we have the most opportunity with this group. This group can be more easily activated with compelling arguments for change. And, finally, this group is numerically the biggest. Good people who simply don't know better.

3. **Change Masters.** Change masters are those who want change because they have had reasons derived from personal experience that change is necessary. They can be driven by moral obligation or mere business gain. They see opportunity in change.

If you are reading this book, then you are already likely a *change master*. I invite you to be “patient zero” in your community or company and evangelize the ideas presented here.

And according to the National Center for Women in Technology, the biggest factors influencing this change agent group are prior professional and personal experiences that have had some powerful influence on their thinking about gender issues. Typically, a combination of factors from both professional and personal realms activated them to be advocates.

Professional Experiences (91% of men)	Personal Experiences (83% of men)
Female Boss	Minority Experience
Learning about Microinequities	Working Wife/Partner
Aware Leaders	Daughter
Data Collection	Mother's or Sister's Experience
Seeing Gender Bias	Sense of Fairness

So how should we start? How should we create the necessary change? In the following chapters I will discuss eight practical solutions you can put to use in your own organization. If more companies adopt these proven tactics, we will be able to move the needle. They are:

Solution 1 Not enough women? How to look harder

Solution 2 In it to win it: Supporting women's development

Solution 3 Listen louder: Understand women's communication

Solution 4 Creating a family-forward culture

Solution 5 Just say no: High Performance Should Not Trump bad behavior

Solution 6 Adopt the ERA at your company

Solution 7 Stand together or fall apart

Solution 8 The future: Raising better men



Lisa Conquergood
Co-founder & CMO, PicMonkey. CMO, Knackshops.

Straight Talk: Be mindful of unintentionally discounting a woman's idea.

"I'd suggest watching for unintentionally ignoring or discounting a female colleague's idea. I've had female friends share stories, and I've witnessed this myself on many occasions where an idea is presented and it falls flat, only to have a male colleague say the same thing and it's suddenly an interesting idea! In a majority of cases, I do not believe it is intentional but it happens so often it would be comical if it weren't so frustrating."