



Untapped Talent: Diversity, Competition, and America's High Tech Future

Executive Summary

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I. Executive Summary

This study by the Information Technology Association of America (ITAA) finds that women and most racial minorities remain significantly underrepresented in today's U.S. information technology (IT) workforce. By examining data from the Bureau of Labor Statistics (BLS) Current Population Surveys, this report, like previous ITAA diversity studies conducted in 1998 and 2003, documents the percentages of women and minorities in BLS occupational classifications that comprise the IT workforce in 2004 and compares them to previous years to determine the progression and regression of diversity. The data presentation is followed by a discussion of possible barriers to entry for underrepresented groups and solutions to overcoming those barriers. The report also highlights successful public- and private-sector programs that encourage more diversity and support women and minorities in IT.

The news here is not good: The percentage of women in the IT workforce has declined by 18.5% since 1996, from a high of 41% in 1996 to 32.4% in 2004. This is true even while the percentage of women in the overall workforce remained relatively unchanged. Women are also far less likely to return to the IT workforce, at least not as quickly as men. Employers hired men at a higher rate than women between 2003 and 2004. During that time period, the number of unemployed skilled male IT workers dropped 34.4% from 189,000 to 124,000, and the number of unemployed skilled female IT workers dropped only 5.15%, from 97,000 to 92,000.

The declining representation of women is due largely to the fact that one out of every three women in the IT workforce fall into administrative job categories that have experienced significant overall declines in recent years. When those categories are excluded from the analysis, the percentage of women in IT drops from 32.4% to 24.9%. The figures represent no progress in the numbers of women in the professional or management ranks from the relatively low 25.4% mark achieved in 2002. At best, the data suggest that the number of all women in the IT industry is dropping substantially; at worst, these statistics illustrate a situation in which women are failing to advance in the managerial and professional ranks and the IT industry is failing to draw on a critical talent base.

Most racial and ethnic minorities remain relatively underrepresented in the IT workforce. Hispanics experienced the highest relative underrepresentation in the IT workforce in 2004, where the relative disparity is greater than 50%. African-Americans were underrepresented by 22.4% and, curiously, there are 6.6% fewer whites in the IT workforce than in the overall workforce. Asians continue to experience significant overrepresentation in the IT workforce, by almost 200%.

Other key findings:

- Representation of African Americans in the IT workforce continues to drop. This group experienced an 8.8% relative decline between 1996 and 2004. In 1996, African Americans made up 9.1% of the IT workforce, versus 8.3% in 2004. Interestingly, the percentage of African Americans in the IT workforce rose to 10% in 2000, the high water mark, before declining to a low of 8.2% in 2002 and then 8.3% in 2004. The percentage of African Americans in the overall workforce in 2004 is the same as it was in 1996, 10.7%.
- The percentage of Hispanics in the IT workforce has risen since 1996, mirroring the rise in the overall workforce, the percentage of Hispanics in the IT workforce was 6.4%, compared to 12.9% of the overall workforce.
- The U.S. IT workforce is getting older. The average median age of the IT workforce is approaching that of the overall workforce, gaining 2.1 years between 2000 and 2004. The median age of the overall workforce rose 1.1 years during the same time frame.

- Diversity in America's IT classrooms is static. The percentage of undergraduate degrees in computer science and engineering attained by women and minorities in 2001-2002 is virtually unchanged since 1999-2000. African Americans earned 8% versus 7% in 2000, Asians earned 13% versus 12% in 2000, and Whites earned 66% versus 68% in 2000. Women still are only earning 22% of all IT degrees conferred.
- The perceived barriers for women and minorities have not changed substantially since ITAA's 2003 report.