

# TXI Annual Diversity Report

March 2022

We believe it is our responsibility and duty to create the conditions for belonging for every team member and a space where they can bring their authentic self to work.

– TXI

## **Table of Contents**

About TXI	3
Why Is DEIB Important to Us?	3
Methods	3
Goals	4
Results, Trends and Reflections	4
Demographic Report	5
Notable Identity Benchmarks	11
Year-Over-Year Trends	16
Analysis & Observations	16
Analysis by Level	17
Analysis by Salary	20
Analysis by Practice Group	24
Singular Demographic Benchmarks	26
White Supremacy Culture Audit	30
Closing and Next Steps	32
Appendix	33



TXI is a strategy and product innovation firm providing a range of services for custom software and mobile applications. We blend product, design, and engineering across web, mobile, IoT, and data into an integrated approach that's proven critical to our partners' success. We're with you from concept to completion to iteration, making sure at every step that what we're building will delight users.

#### Why Is Diversity, Equity, Inclusion and Belonging (DEIB) Important to Us?

Read more about our DEIB approach, including defining these terms within our organization.

### Methods

We always encourage our clients to do user research before starting a new project, so we did the same in developing our annual report through our partnership with DEIB transformation firm <u>Ethos</u>:

- We gathered input from employees to inform our survey.
- We looked at examples of other companies' surveys.
- We agreed on terminology to be used in the report.
- We promised anonymity for survey respondents.
- We agreed on a minimum viable response rate of 80%.
- We created consistency between the questions we asked for our 2020/2021 and 2021/2022 reports to identify change over time.
- We made sure that our survey would consider our four justice pillars: Racial Justice, Disability Justice, Environmental Justice, and Gender Justice.

Insight from the TXI Diversity Survey is the basis for this report. We agreed on standards for adding questions to the Diversity Survey, such as only including questions most employees expressed interest in, and made some questions optional. For required questions, we provided a "Prefer Not to Say" option. (Footnote 1)

We were intentional about language use, opting for precise and preferred terminology based on <u>Feminuity</u>, the U.S. Census Bureau, the <u>Centre for Community Organizations</u>, and <u>Gender</u> <u>Wiki</u>. We included this terminology in our survey for easy reference for our respondents.

### Goals

At TXI, we want to hold ourselves accountable for DEIB to our four primary stakeholders (our employees, our clients, our owners, and the community we engage with). Our goals for this report, which will happen annually going forward, include:

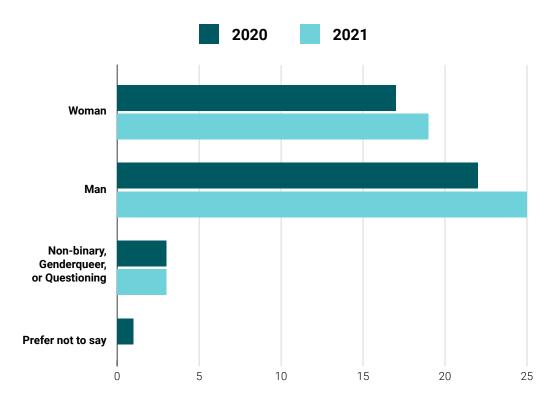
- **1** To help us describe the current state of the company.
- 2 To compare the current state of the company to its state last year and note areas of change or equivalency.
- **3** To apply the insights we gain from this study toward meaningful change in the next year.

### Results, Trends, and Reflections

Given that this report is looking at equity above all else, we focused on representation by employment level, salary band, and practice area. Find a full <u>representation of how people</u> <u>self-identify here</u>, as well as other key variables. (Footnote 1)

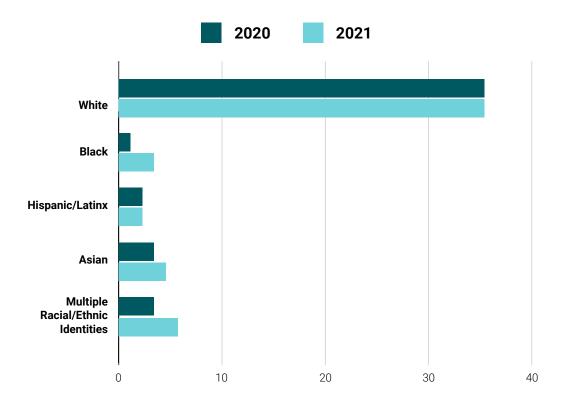
## **Demographic Report**

### **Gender Identities**



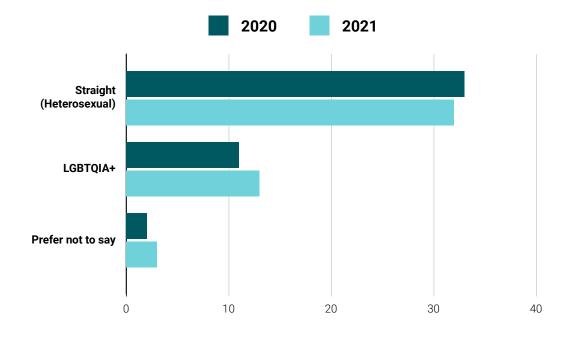
- In 2021, there was an increase in both Man-identified (13.6%) and Woman-identified respondents (11.8%).
- Non-binary gender-identified respondents have remained the same since last year.

### **Racial/Ethnic Identities**



- In 2021, the number of White-identifying respondents remained unchanged.
- In 2021, TXI saw an increase in Black-identifying respondents (2 more respondents, representing a 100% increase) as well as those who identified with multiple racial/ethnic identities (2 more respondents, representing a 50% increase).

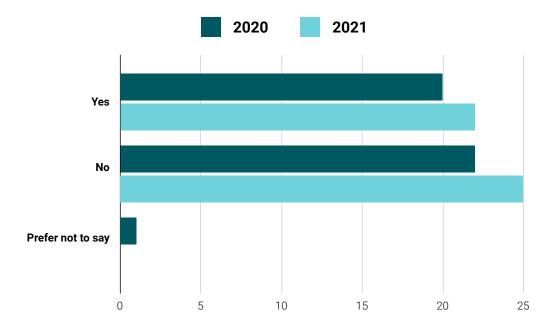
#### **Sexual Orientation**



#### **Findings**

In 2021, TXI saw an increase in employees with LGBTQIA+ identities (2 more respondents, representing an 18% increase) and a slight decrease in those who identified as Straight (Heterosexual)(1 less respondent, representing a 3% decrease).

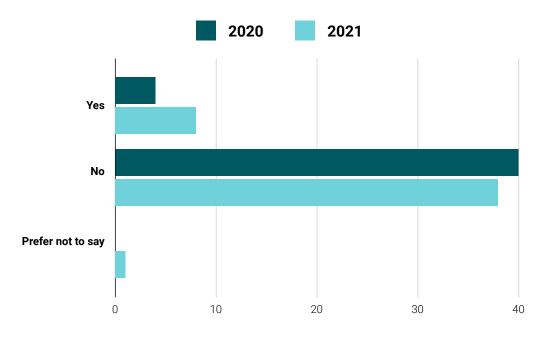
### Primary Caregiver Status



#### **Findings**

In 2021, TXI saw an equal increase in those who selected "Yes" and "No" when asked about their primary caregiver status (2 more respondents for both, representing a 10% and 8.9% increase).

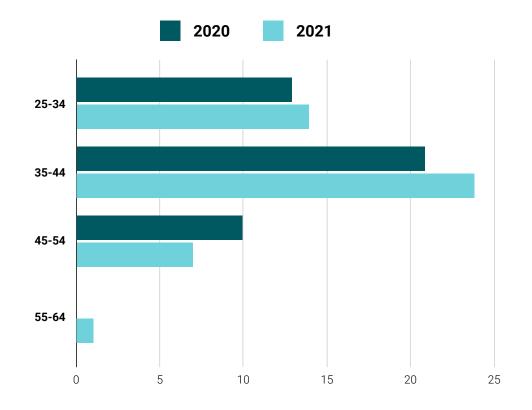
### Disability Status



#### **Findings**

In 2021, TXI saw an increase in employees who identified as living with a disability (3 more respondents, representing a 75% increase) and a decrease in those who do not identify as living with a disability (5 fewer respondents, representing a 13% decrease).

### Age Group



- In 2021, TXI saw a slight increase in respondents in the 25-34 age group (1 more respondent, representing a 7% increase).
- The highest increase was in the 35-44 age group (3 more respondents, representing a 14% increase). This age group is also the most highly represented (51.1%)
- There was a slight decrease in respondents in the 45-54 age group (2 fewer respondents, representing a 20% decrease).

## **Notable Identity Benchmarks**

#### Age Group

Age Group	ТХІ	% of TXI Respondents	% of Chicago Population	% of National Population
25-34	14	29.8%	33.3%	60.1%
35-44	24	51.1%	28.8%	18.5%
45-54	8	17.0%	29.6%	12.2%
55-64	1	2.1%	6.6%	5.6%

- The majority of respondents at TXI are in the 35-44 age group (51%).
- No respondents are under the age of 25 or above the age of 64.

### Gender Identity

Gender/ Gender Identity	ТХІ	% of TXI Respondents	% of Chicago Population	% of National Population
Woman	19	40.4%	51.4%	50.8%
Man	25	53.2%	48.6%	49.2%
Non-Binary, Genderqueer, or Questioning	3	6.4%	N/A	N/A

- The majority of respondents at TXI are Man-identified (53.2%) Last year this number was 47.7%.
- Last year Woman-identified respondents made up 36.4% of respondents compared to this year's 40.4%.
- Both last year and this year the same amount of respondents (3) identified with a non-binary gender identity.

### Sexual Orientation

Orientation	ТХІ	% of TXI Respondents	% of Chicago Population	% of National Population
Straight	32	68.1%	92.5%	95.5%
LGBTQIA+	13	27.7%	7.5%	4.5%
Prefer Not to Say	2	4.2%	N/A	N/A

#### **Findings**

The majority of respondents at TXI identify as Straight (68.1%).

### Disability

Disability	ТХІ	% of TXI Respondents	% of Chicago Population	% of National Population
With a Disability	7	14.6%	10%	26%
Without a Disability	38	80.8%	90%	74%
Prefer Not to Say	2	4.2%	N/A	N/A

#### **Findings**

The majority of respondents at TXI identify as living without a disability (80.8%).

### **Race/Ethnicity**

Race/ Ethnicity	ТХІ	% of TXI Respondents	% of Chicago Population	% of National Population
White (Not Hispanic/ Latinx)	31	66%	33.3%	60.1%
Hispanic/ Latinx	2	4.2%	28.8%	18.5%
Black	4	8.5%	29.6%	12.2%
East Asian	3	6.4%	6.6%	5.6%
South Asian	1	2.1%	N/A	N/A
Multiple Identities	6	12.8%	2.8%	2.8%
Prefer Not to Say	0	0%	N/A	N/A

- The majority of TXI employees are White (66%) and those holding multiple Racial/Ethnic identities are the second-highest represented (12.8%).
- Hispanic/Latiné/x (4.2%) employees are the least represented in comparison with the Chicago Population (28.8%).

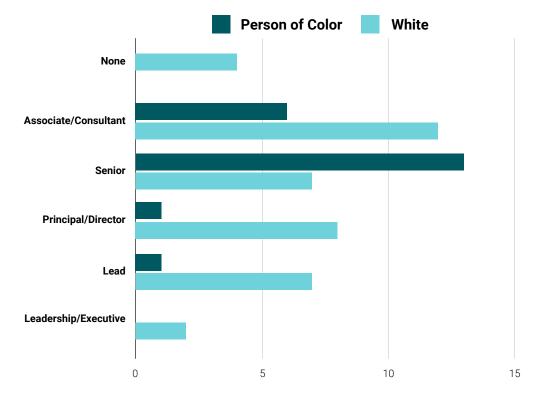
### **Analysis & Observations**

This section includes visual (charts) and textual analysis in order to identify significant trends among how the specific social identities of TXI employees responded to the 2021 survey. The charts below compare Level, Salary Band, and Practice Group by various social identities, including Racial/Ethnic Identity, Sexual Orientation, Gender Identity, and Primary Caregiver Status.

To protect anonymity some charts are not included in this report, and underrepresented social identity groups are collected into single categories in the following charts. Specifically, those who did not identify as Straight (Heterosexual) are represented as LGBTQIA+, and those who did not identify as White are represented as People of Color.

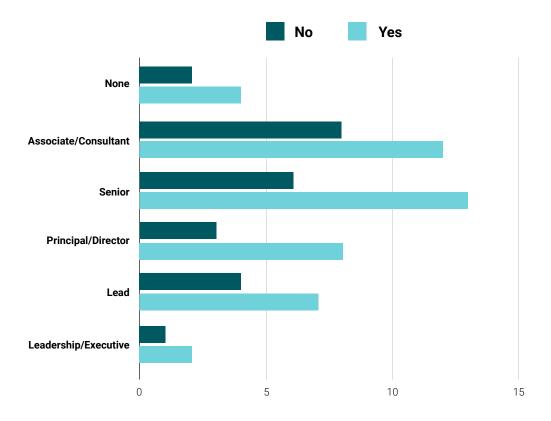
## Analysis by Level

### Level & Racial/Ethnic Identity



- Last year, White identified employees were overrepresented at each level (by an average of 72%).
- This year, there is increased racial parity at the Senior level. Last year, White-identified respondents represented 67% of this level. This year, they represented 46% (3 more people of color responded at the Senior level this year, representing a 33% increase.)
- This year, there is increased racial parity at the Associate/Consultant levels. Last year, White-identified respondents represented 67% of this level. This year, they represent 50% (2 more people of color responded at the Associate/Senior level this year, representing a 50% increase).
- White identifying employees remain overrepresented at the Lead (6 White-identified respondents, representing 86%), Principal/Director (7 White-identified respondents, representing 87%), and Leadership/executive (2 White-identified respondents, representing 100%) levels. Diverse racial and ethnic representation is more likely to be found in lower levels.

#### Level & Primary Caregiver Status



#### **Findings**

There are primary caregivers at every level of TXI, with the highest concentration at the Principal/Director level (5 primary caregivers, representing 62%) and the lowest at the Associate/Consultant level (4 primary caregivers, representing 33%).

### Level & Sexual Orientation

Charts for Level & Sexual Orientation cannot be included in order to protect anonymity.

- The Associate/Consultant level saw the highest increase (3 more LQBTQIA+ respondents, representing a 60% increase) in diversity among Sexual Orientations.
- The Associate/Consultant level represents the widest diversity of queer identities (at 67%), followed by those at the Lead level (at 33%).
- There are LGBTQIA+ identifying employees at every level of TXI.
- The majority of LGBTQIA+ identities are concentrated at the Associate/Consultant level (of the 13 LGBTQIA+ respondents, 61% are at the Associate/Consultant level).

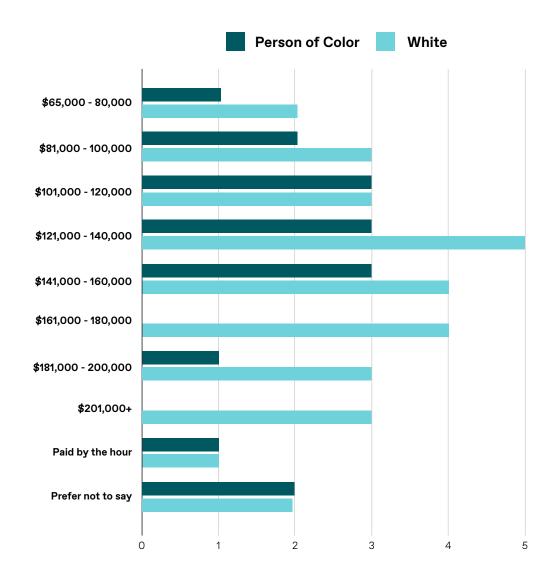
### Level & Gender Identity

Charts for Level & Gender Identity cannot be included in order to protect anonymity.

- Man-identified employees are overrepresented at the Senior (8 Man-identified respondents, representing 61%) and Principal/Director levels (6 Man-identified respondents, representing 75%).
- Woman-Identified and Non-binary identified employees are more highly represented (8 Woman-identified respondents or Non-binary identified respondents, representing 67%) than Man-identified employees at the Associate/Consultant level.
- Woman-Identified and Non-binary identified employees are more highly represented (4 Woman-identified respondents or Non-binary identified respondents, representing 57%) than Man-identified employees at the Lead level.

## **Analysis by Salary**

### Salary & Racial/Ethnic Identity



- 25% of employees at TXI make \$161,000 or above.
  - 92% of those who identified as making above \$161,000 also identify as White.
- The higher the salary band, the more likely it is to be occupied by a White-identified employee.

### Salary Band & Gender Identity

Charts for Salary Band & Gender Identity cannot be included in order to protect anonymity.

#### **Findings**

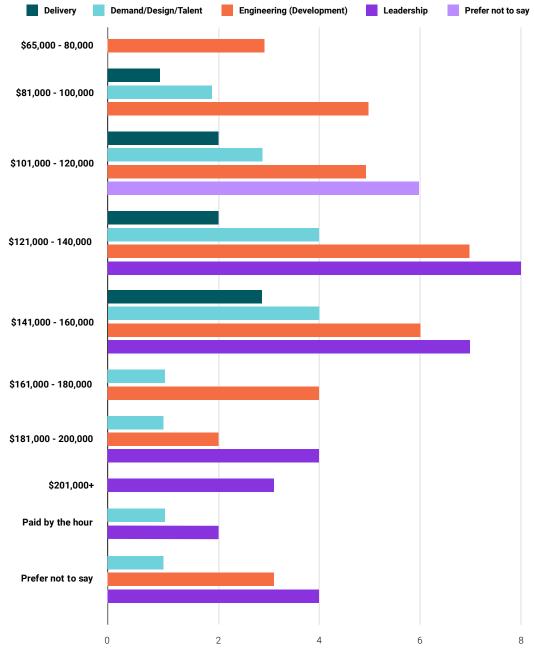
- The higher the salary band, the more likely it is to be occupied by a man-identified employee.
- This year, there is an average of 2 Woman-identified respondents per salary band (an increase of 33%), and Woman-identified employees are now represented in every salary band. Last year, there was an average of 1.5 Woman-identified respondents per salary band, with none at the \$141,000-160,000 or \$181,000 200,000 salary bands.
- The majority of Non-binary gender identities are located at the \$81,000- \$100,000 salary band (2 respondents, representing 40% of the salary band).
- 73% of those making above \$161,000 are Man-identified.

### Salary Band & Sexual Orientation

Charts for Salary Band & Sexual Orientation cannot be included in order to protect anonymity.

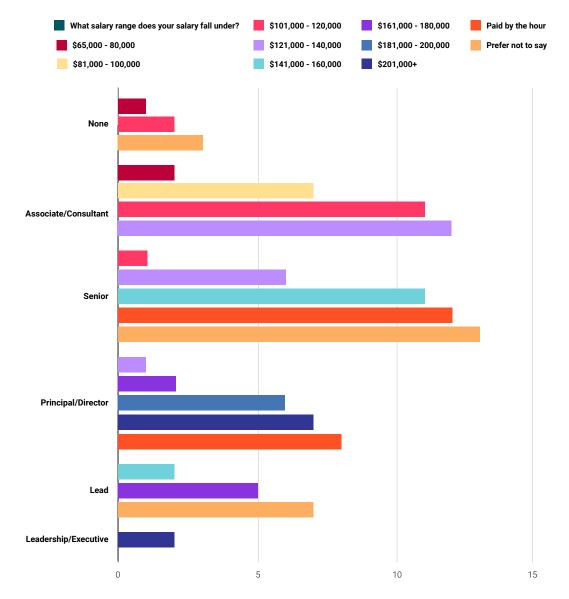
- The \$181,000 \$200,000, and Paid by the Hour categories did not show any queer representation, with all respondents selecting "Straight (heterosexual).
- The highest diversity of LGBTQIA+ representation appeared at the \$81,000 \$100,000 salary band (4 respondents, representing 80% of the salary band).

#### Salary Band & Practice Group



- Engineering is the only Practice Group represented in every salary band (apart from the highest, which is reserved for leadership positions).
- The most diversity of pay by practice group appears in the \$121,000-\$140,000 and \$141,000-\$160,000 salary bands
- Employees in Engineering are present at every salary band except for the \$201,000+ level.
- The \$65,000-\$80,000 salary band is composed only of those in the Engineering practice group.

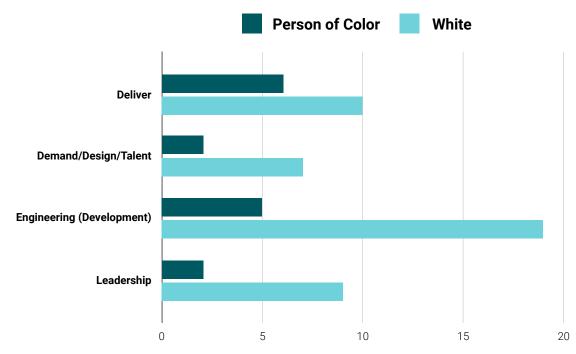
### Salary Band & Level



- The greatest diversity of pay happened at the Senior level.
- At least three salary bands are represented at every level (other than the Leadership/ Executive level)

## **Analysis by Practice Group**

### **Practice Group & Racial/Ethnic Identity**



#### **Findings**

- White-identifying employees are overrepresented in each Practice Group, other than in the Delivery Lead Group.
- We have combined the Demand, Design, and Talent practice groups due to smaller team sizes as a method of preserving anonymity.

### Salary Band & Gender Identity

Charts for Practice Group and Gender Identity cannot be included in order to protect anonymity.

#### **Findings**

Similar to last year's report, Demand/Design/Talent was the most gender-diverse practice group (2 Woman-identified respondents, 2 Non-binary identified respondents, and 3 Manidentified respondents, representing 28%, 28%, and 43% respectively).

- Woman-identified respondents represented a majority in the Delivery Practice Group (6 Woman-identified respondents, representing 60%).
- Men-identified respondents are the most highly represented in the Engineering (12 Man-identified respondents, representing 63%) and Leadership practice groups (6 Man-identified respondents, representing 67%).

### **Practice Group & Sexual Orientation**

Charts for Practice Group and Sexual Orientation cannot be included in order to protect anonymity.

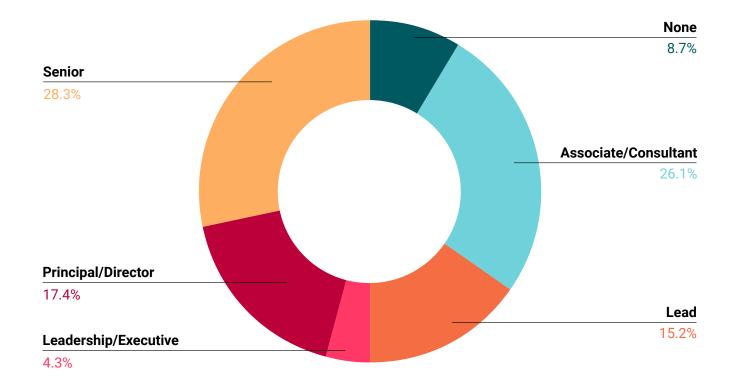
- Unlike last year, every practice group has a diversity of sexual orientations.
- Engineering (Development) (7 LGBTQIA+ identified respondents, representing 37%) and Demand/Design/Talent (3 LGBTQIA+ identified respondents, representing 43%) have the highest representation of LQBTQIA+ identities.

## Singular Demographic Benchmarks

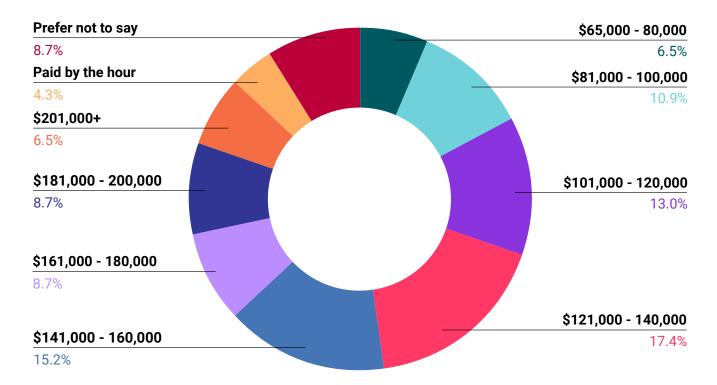
This section contains demographics on respondents' Level, Salary Range, Practice Group, Variable Compensation, Workplace Type, Place of Birth, and Current Location.

### Level

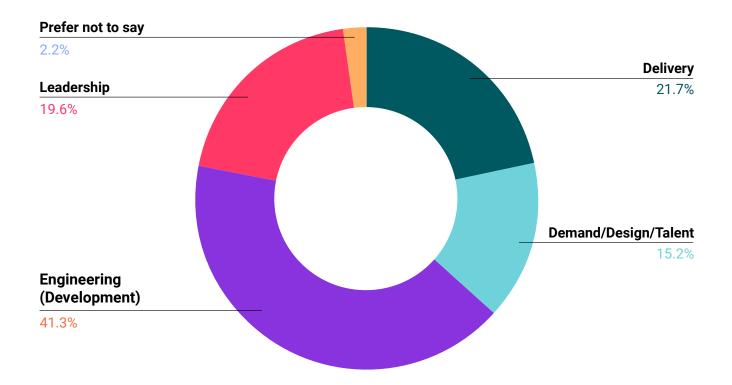
Level refers to an employee's position within TXI and is related to their level of responsibility and salary range. In order, our levels are represented as Associate/Consultant, Senior, Lead, Principal/Director, and Leadership/Executive. Those who selected "None" are either contractors or owners of TXI.



### Salary



#### **Practice Group**

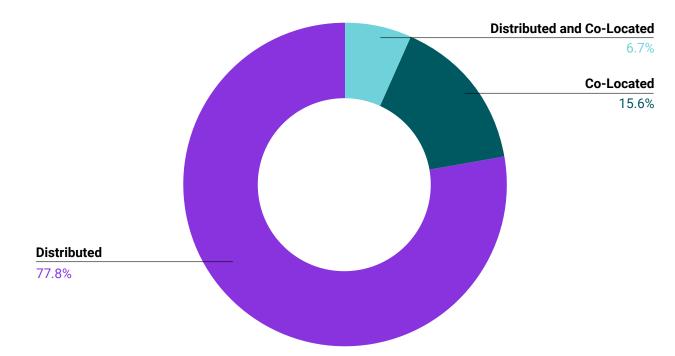


### Variable Compensation

Variable Compensation is the portion of an employee's pay determined by performance or the results of their work.

#### **Findings**

- **8%** of TXI has 0% variable compensation
- **25%** of TXI has a 3% variable compensation
- **40%** of TXI has a 4% variable compensation
- **17%** of TXI has between a 5-9% variable compensation
- **6%** of TXI has between a 10-32% variable compensation



### Workplace Type

- 77.8% of TXI employees are Distributed
- 15.6% of TXI employees are Co-located in an office together
- 6.7% of TXI employees work in-office and remotely

### Place of Birth

Charts related to a place of birth are not included to protect anonymity.

#### **Findings**

- 70.2% of TXI employees were born in the US (last year, 75% of respondents were born in the US).
- Respondents also identified as being born in Japan, Mexico, Europe, East Asia, Africa, and Canada.

### **Current Location**

Charts related to respondents' current locations are not included to protect anonymity.

- **74.5%** of TXI employees are located in the Midwest of the U.S.
- **10.6%** of respondents are located outside of the U.S.
- Respondents also identified as being located in the Southeast, Southwest, and Western U.S.

## White Supremacy Culture Audit

We included nine questions in our survey that correlated to The Centre for Community Organization's tenets of <u>White Supremacy Culture in Organizations</u>.

Woman-identified respondents were the least likely to agree with the following question.

- Power Hoarding: Informal power dynamics (e.g. seniority, social privilege, employment status) are defined, identified, and addressed at TXI.
  - **59%** agree (12.8% strongly agree, 46.8% agree)
  - **17%** disagree (2.1% strongly disagree, 14.9% disagree)
  - **19%** neither agree nor disagree
  - **5%** provided an "other" response
- **70%** of those who disagreed with this question were Woman-identified.

There were no statistically relevant trends related to the remaining eight questions below. Less than 15% of respondents disagreed with each of the below questions and those who disagreed did not represent trends related to social identity.

- Paternalism: Everyone at TXI knows and understands their level of responsibility and authority in the organization.
- **Paternalism:** Decision-making at TXI is informed by those it impacts.
- Worship of the Written Word: Employees are given the time to read important documents, and also to engage with and ask questions about them.
- **Quantity Over Quality:** TXI values processes as much as final products.
- Fear of Open Conflict: Leaders at TXI make space for emotions and think expansively about how problems are flagged in the organization.
- Objectivity: TXI respects that everybody has a valid and useful perspective. (This was a strength!)

- Only One Right Way: TXI accepts that there are many ways to get to the same goal and are open to alternative routes.
- Perfectionism: Mistakes are not seen as personal or do not reflect badly on the person making them.

## **Closing and Next Steps**

This annual report is a point-in-time snapshot of our organization. Our goal is to publish this report each year to track our progress and keep us accountable. We published our first version of this report in 2021, and as we developed and published this report in 2022, we have our immediate reflections.

- We anticipate that the annual report will inform hiring and recruitment practices (<u>Appendix</u>) and organizational changes, along with our newly formed Advisory Board.
- 2 The 2022 DEIB Roadmap is also in the works and will be available on our website by midyear.
- **3** We developed an educational plan focused on deepening our understanding of DEIB that adds to our existing Racial Justice, Environmental Justice, and Disability Justice lenses. Specifically, this year we are launching the fourth pillar of Gender Justice in response to last year's data.
- **4** We will invest in community partnerships and projects.
  - In 2020, we launched a role focusing on community engagement. Through that role, we have been defining what community means to us and strategizing how to best engage with the community through the work of our Community Manager. In 2022, we plan to deepen existing partnerships and develop new ones.
  - We intend to utilize the five types of engagement to develop relationships with the community and create thoughtful and meaningful effects.
- 5 We have established a 2022 DEIB budget with categories, dollars, and roles.

## Appendix

### **Sources of Inspiration**

To understand how we formatted the report the way we did, we researched diversity reports published by other companies. We looked at <u>Google</u>, <u>Microsoft</u>, <u>The New York Times</u>, <u>Glitch</u>, <u>Pinterest</u> and <u>Sprout Social</u>, among others. Many of these organizations have been tracking metrics for years, which helped confirm our goal of establishing a baseline for future years.

We also wanted to see what companies of a similar size and in our industry were doing. We solicited input from several <u>OpsConf</u> peer network members and reviewed the wide range of companies sharing data with <u>DiversityReports.org</u>.

### **Correcting for Overrepresentation**

- To address overrepresentation for the **TXI leadership team**, in three years' time we will ...
  - Decrease overrepresentation of white-identified people in leadership roles to less than 70%.
  - Increase representation of People of Color to at least 30%, with a specific focus on Black/Latinx/Indigenous voices.
  - Decrease overrepresentation from male-identified people to 50%.
  - Increase representation from female and non-binary-identified people to 50%.
  - Decrease overrepresentation from straight-identified people to less than 80%.
  - Increase LGBTQ+ representation to 20%.
- To address overrepresentation for senior/lead/principal team members, in three years' time we will ...
  - Decrease overrepresentation of white-identified people to 60%.
  - Increase representation of People of Color to at least 40%, with a specific focus on Black/Latinx/Indigenous voices.

- Decrease overrepresentation from male-identified people to 50%.
- Increase representation from female and non-binary-identified people to 50%.
- Decrease overrepresentation from straight-identified people to less than 72%.
- Increase LGBTQ+ representation to 28%
- To address overrepresentation from associate/consultant team members, in three years' time we will ...
  - Decrease overrepresentation of white-identified associate/consultant roles to 56%.
  - Increase representation of People of Color to at least 43%, with a specific focus on Black/Latinx/Indigenous voices.

### Footnotes

1 We are a company of approximately 65 employees and a handful of trusted contractors, so we knew some of the respondents could be easily identified despite the survey being anonymous. Our team worked together to identify graphs and charts that could be shared while protecting anonymity for under-indexed groups, and we asked everyone to respect anonymity and avoid digging into the data for identities.