# **How Can GitHub Retain Employees?**

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GitHub was a San Francisco-based repository for software tools and projects constituted by its community of 28 million members (as of August 2018). Then CEO and Co-Founder Chris Wanstrath (2017) proclaimed that he wanted to improve retention of a diverse workforce. He wondered what more GitHub could do. He regretted the story of Coraline Ada Ehmke who left GitHub. The recent acquisition of GitHub by Microsoft would result in new leadership and HR management probably reflective of Microsoft, which appeared to handle diversity effectively. But GitHub managers nevertheless had to continue working on retention.

#### INTRODUCTION

GitHub was a successful San Francisco-based repository for coding experts. It provided access to software tools and projects constituted by its community of 28 million members. The community of users learned, shared and worked with one another to construct software. GitHub provided lightweight code review tools. Teams created review processes to enhance their code. GitHub sold apps for such needs. GitHub also provided tools to build custom tools for the particular user's need. Users asked and answered questions posed by the community. It was one of the largest code hosts in the world with over 80 million projects (GitHub, 2018).

Regarding retention of employees, CEO & Co-Founder Chris Wanstrath (2017) proclaimed:

Today I am pleased to share our second annual Diversity Report. While we are working every day internally to make GitHub the most inclusive company it can possibly be, this report represents our commitment to the community to be transparent and accountable for continued progress.

This year, we saw growth across key indices as we welcomed more employees from a wide range of backgrounds into the company. Most specifically, we experienced a 2% growth in each of our Black and Asian communities and doubled our percentage of transgender and genderqueer employees (from 1% to 2%). We are extremely proud of this growth, and it is a result of commitments we made last year—commitments to improving our hiring practices and to our community partners who help keep the pipeline robust. While we are cautiously optimistic about our progress year-over-year, there is

still a long way to go toward better representation in our company and in the entire sector.

One interesting data point we examined this year is around retention. As we look at our overall attrition rates, there is no significant difference among gender, race, or ethnicity in terms of who is staying with or leaving the company. This is a metric we will continue to keep an eye on and one that we will use to hold ourselves accountable as we build a more inclusive culture. We encourage other companies to do the same.

There are still places where we have more concentrated work to do. Specifically, we lost a percentage point in women in leadership. In addition, we would have liked to have seen stronger growth of people of color in leadership roles beyond a 2% gain.

Something I am proud to announce as part of our overall efforts is the creation of an Office of Employee Experience and Engagement, which will be led by Merritt Anderson. This office will be responsible for employee advocacy, diversity and inclusion, learning and development, and overall workplace experience. In her leadership position as a VP, Merritt will sit on the executive team and we will work together to improve the full experience of GitHub employees from recruitment through the end of their tenure. We continue to commit ourselves to improving employee experience for all people from all backgrounds. This builds on the good work of the Social Impact Team, a team that has strengthened us as a company over the past two years.

Wanstrath wondered what more he could do to improve retention of employees. There was not a difference in the retention rate from group to group. But losing people only to have to recruit and train replacements was a costly undertaking, such as Coraline Ada Ehmke who left GitHub.

### EHMKE'S STORY

In 2015, GitHub approached Ehmke, an outspoken transgender woman coder, to join part of a group intended to promote a new image for GitHub by improving inclusion and diversity. She reportedly faced many issues. Code she wrote was relentlessly critiqued by male engineers on other teams while a male colleague who was also recently recruited had no similar problems. When she released a new feature, she was asked to write a post describing the new update, which was critiqued by the review board and rewritten by a male engineer from a different team. Ehmke provided what she thought was useful feedback in response to the work a data scientist did on creating a survey. She found that a question regarding gender was phrased incorrectly and left a comment about it, which she thought was consistent with the goals for which she was recruited. The next day Ehmke was called in to speak to her manager who said that she had a "non-empathetic communication style." Her weekly one-on-one meetings with her manager focused on her written communication to seek out potential improvements. Although Ehmke said that it seemed like her manager was pleased with her progress, during her annual review she was reviewed as "Does Not Meet Expectations." After a personal crisis, she was told to take a few days off, so she did. After Ehmke returned, she was told that she was being placed on a performance improvement plan. Although Ehmke brought up the issue of her personal crisis, the performance plan continued. She was continually marked as "Does Not Meet Expectations." She realized that she was going to be fired, which occurred during the third performance plan meeting. Ehmke reflected, "Was politely calling out a data scientist on a problematic and transphobic survey answer a demonstration of a lack of empathy?"

At the end of her story, Ehmke looked at the statements that GitHub made and the actions they had taken since then, and pointed out the discrepancies between the two. She mentioned that although GitHub made public statements about wanting to increase diversity, they announced an all-male lineup at a conference days after releasing results that only 3% of their demographic was composed of women (Koehler, 2017). Ehmke also observed that many other people hired to reflect a change towards increased inclusion had either quit or been fired. She thought management had failed her.

#### RETENTION ISSUES IN HIGH TECH

The "Tech Leavers" study (Scott, Klein, & Onovakpuri, 2017) polled and examined the reasons that people had for leaving the tech industry. Their findings follow:

- 1. Unfair treatment (UT) was the most common reason for workers leaving, with 37% of people citing this as their reason, far greater than those that reported being recruited for a better opportunity (22%).
- 2. UT was significantly more likely to be the reason for workers leaving tech than any other industry.
- 3. Women experienced more UT than men, with 1 in 10 women reportedly receiving unwanted sexual attention.
- 4. The amount of UT and bullying experienced was negatively correlated with the amount of time that an employee stayed with the company, leading more mistreated employees to remain for shorter periods of time.
- 5. Sixty-nine percent of employees would have stayed if they witnessed an improvement in the effectiveness of management of leadership.
- 6. According to the study, 62% of workers would've stayed if their company had taken steps to create a more welcoming environment.

These problems cost the tech industry an estimated 16 billion dollars a year in replacing workers, with a cost of \$144,000 on average per worker who left (Scott, et.al., 2017).

Researchers found that in general, not just high tech, people didn't always leave one employer for another simply to make more money. Some people had personal issues separate from the job. People stayed because they felt a sense of belonging, community and fit with the job and community (Mitchell, Holtom & Lee, 2001). The authors recommended the following:

- 1. Ask basic questions regarding people leaving: how many, who, should they leave, replacement cost, and why (use exit interviews)?
- 2. Use focus groups with employees to find out what keeps them working.
- 3. Ensure there is strategic support for whatever plan develops with quantifiable metrics.
- 4. Periodically survey personnel to assess job satisfaction and organizational commitment. Use the results to provide transparent feedback to personnel and discuss results with them.
- 5. Include topics like remuneration, supervision, work environment and company values in the survey.
- 6. Look at why people leave. Is it due to family issues, educational opportunities, or unsolicited job offers?
- 7. Work to ensure a good fit with the job for each employee. Through personal development plans people can adapt to fit throughout their careers.

An example of surveys that enhanced transparency and understanding was one done by Comparably (2018), a research company. GitHub's then CEO received feedback that put him in the top 35%, in comparison to other like-sized companies in San Francisco. Male employees rated Wanstrath higher than female. Blacks rated him substantially lower than other ethnic groups; this was true as well of blacks' ratings of the overall executive team. Eighty-five percent of the personnel felt they were paid fairly.

### HOW COULD GITHUB ENHANCE RETENTION?

The Tech Leavers study (Scott, et.al. 2017) mentioned the importance of avoiding the perception of unfair treatment. Employee surveys can be used to gather perceptions regarding harassment, bullying, communication, fair implementation of regulations, feelings of worth, and so forth. Such self-report measures have methodological problems in that employees respond differently since some are more stoic and others more prone to complain. Therefore qualitative interviews can also be used to gather information.

Managers should also interact with personnel often enough to know what they are experiencing. Oneon-one interviews, luncheons, community meetings, as well as social involvement in events (e.g., softball, parties, and even important family events) are all important for managers to get a feel for what is going on.

Managers should actively listen to concerns expressed by employees. All relevant stakeholders need to be represented.

Although not discussed in the incident, common practice would be to stay informed about retention-related issues. Managers can read, attend conferences, meet for lunch with local people and other managers concerned about retention-related topics, participate in professional societies, and contribute to trade publications and blogs.

Meritocracy can lead to intense competition. This can undermine retention (Fuhrmans & Bensigner, 2017). The key is to continue with meritocracy but attempt to mitigate the negative consequences by paying attention to the items listed above that are to enhance retention.

Silicon Valley companies signed a "Tech inclusion pledge." They committed to disclosing annual data describing their workforces and publishing goals to increase inclusion of employees from underrepresented backgrounds (e.g., black, Hispanic and Native American). Pension funds such as Calstrs and the Illinois Municipal Retirement Fund have committed to promoting diversity (Kuchler, 2016). Reporting information can be useful but if it's simply an annual report with no follow up then it can appear hypocritical.

Perhaps the greatest impact can come from hiring women, in that they make up roughly half of the population and their presence can be associated with positive financial results. For example:

- 1. Women in the C-suite add to net profit margins (Anderson, 2016, February 08). Having at least 30 per cent women in leadership, or "C-suite", added 6 per cent to net profit margins.
- 2. Companies with the most women board directors outperformed those with the least on return on sales by 16 per cent (Catalyst, 2011).
- 3. Gender diversity on technical work teams (IJISD, 2009) was associated with superior adherence to project schedules, lower project costs, higher employee performance ratings and higher employee pay bonuses.

Diversity can enhance retention in that it helps guard against groupthink and expert overconfidence (Deloitte, 2013). It triggers more careful and creative information processing than what typically occurs in homogeneous groups. Also, 67 per cent of active and passive job seekers (Glassdoor, 2014) said that a diverse workplace was an important factor when considering an employer or a job change.

GitHub released a study (GitHub, 2016) of their users that suggested that women wrote better code (BBC, 2016). The findings support the premise that code written by women had a higher approval rating than code written by men - but only if their gender was not identifiable.

The team found that 78.7 per cent of pull requests made by women were accepted, compared with 74.6 per cent of those by men. Women's acceptance rates decreased 9.3% when their gender was identifiable (Terrell, Kofink, Middleton, Rainear, Murphy-Hill, Parnin & Stallings, 2017).

These items reflect on hiring practices but are also indicative of prejudice that can harm retention. For example, studies have shown that resumes with black names get chosen less in hiring (Bertrand & Mullainathan, 2003) and those with male names get hired more than those with women's names (AAUW, 2015) to technical roles. Blacks and women are aware of such prejudice so organizations must have equitable personnel practices to retain employees. Basic guidelines follow:

- 1. Managers need to review the organization's retention trends to date on a regular basis, perhaps monthly.
- 2. Everyone needs to communicate mindfully. It's easy to make mistakes so have a diverse set of employees review communiques.
- 3. Take a look at organizational culture. JPMorgan Chase's Global Head of Diversity, Patricia David (2015), credits the long-term focus on company culture as one of the main drivers of success when it comes to hiring to enhance diversity (Brodock & Massam, 2016, pp. 210-212).

4. Obviously firms must avoid sexual harassment. Silicon Valley firms espouse being progressive and inclusive. However, all too often a frat boy mentality fueled by alcohol at parties gives license to behave poorly.

Numerous accusations of sexual harassment and discrimination have been made in 2017. Susan Fowler, an engineer and author alleged that she had experienced sexual harassment during her one-year stint at Uber, and that Uber's HR had dismissed her complaints (Bort, 2017). In the national press celebrities and executives have fallen: Bill Cosby lost his latest trial; Bill O'Riley and Roger Ailes of Fox and Harvey Weinstein were removed (Schwartz, 2017), just to name a few.

The continuous improvement meetings of total quality management (American Society for Quality, 2017) is one approach to reviewing retention and assessing issues such as those listed above. Embedded within continuous improvement is the plan-do-check-act (PDCA) cycle:

- 1. Plan: Identify an opportunity and plan for change.
- 2. Do: Implement the change on a small scale.
- 3. Check: Use data to analyze the results of the change and determine whether it made a difference.
- 4. Act: If the change was successful, implement it on a wider scale and continuously assess your results. If the change did not work, begin the cycle again.

Another example is the Work-Out of General Electric. It differs from the continuous improvement process which usually involves teams meeting regularly over weeks or months. Work-Out is focused and takes place over a few days. Action plans are developed and implementation is followed up at regular intervals, such as 30, 60 or 90 days.

In conclusion, retention requires a herculean effort in an overheated economy where people can readily move to other employers. Ehmke's public description of what she thought happened to her has to be taken seriously by employers, even if they might not agree with all the details. Valuable employees need not be driven out of companies because they are different. It's especially true now when so many firms have diverse workforces. Gone are the days when managers can try and hire people like them. Once the diverse workforce is in place, organizations must train new hires so they can fit within the organization and do the intended work. At the same time, managers must work hard to retain them.

### **EPILOGUE: MICROSOFT BUYS GITHUB**

GitHub's strategic appeal to Microsoft was that Microsoft wanted to focus more on high-growth areas like cloud computing. It needed to move beyond its established products. Amazon.com, Inc. has been the leader in cloud computing. GitHub's community members include many open-source developers. Steve Ballmer, the previous CEO of Microsoft, saw open source as a threat to intellectual property. Satya Nadella, the current CEO, has embraced open source, reinforced by the GitHub purchase. Microsoft wants to sell GitHub's services that have heretofore not brought in much revenue. Microsoft previously purchased Xamarin Inc. that was founded by Nat Friedman. He currently serves as a Microsoft vice president and was slated to become GitHub's CEO (Greene, 2018. June 4). GitHub would likely fall within the purview of Microsoft's human resources department policies, which have been noteworthy in terms of diversity (see https://www.microsoft.com/en-us/diversity/).

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