Addressing Culture, Diversity, and Inclusion: The Red Hat Way

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EXECUTIVE SNAPSHOT

FIGURE 1

**Executive Snapshot: Addressing Culture, Diversity and Inclusion —
The Red Hat Way**

This is the first in a series of collaborative reports addressing issues such as equality, diversity, and transformation as well as their implications on the tech industry. It touches on cultural differences, diversity, leadership, talent, inclusion, and organizational and cultural changes that digital transformation will necessitate, and critically, what open source culture can teach us all about addressing these issues.

Key Takeaways

- Statistics show that tapping into a more diverse workforce makes good business sense, and this becomes particularly important in the digital economy.

- Red Hat's approach to diversity and inclusion (D+I) is underpinned by the company's open source culture of meritocracy — that good ideas can come from anyone, anywhere, regardless of job title/seniority.

- Red Hat formally started its D+I journey in 2016, leading to several communities and groups forming globally (consistent with meritocracy) to provide ideas and thoughts around how Red Hat can approach D+I. It is also looking at ways it can infuse awareness into its ecosystem to offer learnings, tools, and competency models, as well as hiring and people development plans to its partners and customers.

Recommended Actions

- D+I requires cultural awareness, sensitivity, and change. Diversity is complex and highlights the need for organizations to adopt a "listening culture" and engage in constant dialogue across the entire organization.

- It's also about making individuals aware of their own ability to make an impact and share D+I culture.

- Addressing D+I requires measurable objectives and more transparency, not just on the gaps that exist, but in terms of goals. In IDC's opinion, these should be tied to performance metrics.

Source: IDC, 2019

NEW MARKET DEVELOPMENTS AND DYNAMICS

The lack of diversity in the technology sector is a topic garnering increasing scrutiny in the Europe, Middle East, and Africa (EMEA) region. The tech sector suffers from increasing criticism for a lack of diversity, but ironically, this criticism comes at a time when the industry faces an ongoing, and often severe, skills shortage and at a time when tech is often touted as the solution to skills challenges in other sectors. The reasons behind this lack of diversity are multifold and complex, but it is a conversation that must be on the agenda, because "when 50% of the population is massively underrepresented in a high-growth employment sector, this becomes an issue of economic viability" (https://www.idc.com/getdoc.jsp?containerId=IDC_P37952).

This is the first in a series of collaborative reports in which IDC addresses issues such as equality, diversity, and transformation, as well as their implications on the tech industry. It has been written after a vibrant and broad-ranging discussion between IDC and two leading female executives from Red Hat. The conversation covered everything from cultural differences, diversity, leadership, talent, inclusion, and organizational and cultural changes that digital transformation will necessitate, and critically, what open source culture can teach us about addressing these issues.

We share highlights from the discussion between Red Hat EMEA's Petra Heinrich (Vice President Partners and Alliances), Dunja Heinrich (Director of Human Resources [People Team]), and IDC's Margaret Adam (Associate Vice President, European Services, Channels and Alliances Ecosystems).

Red Hat: A Diverse, Inclusive Meritocracy

Red Hat's approach to D+I is underpinned by the company's open source culture of meritocracy and the belief that good ideas can come from anyone, anywhere, regardless of the job title or rank. As such, Red Hat focuses on creating a workplace that is inclusive, encouraging sharing ideas, cooperating, giving room for all. With the emphasis on creating an environment that is comfortable for all voices equally, no matter where they come from. According to Dunja:

> "Diversity fuels our meritocratic culture by bringing in many perspectives and ideas, challenging our assumptions, and inspiring innovation. For Red Hat, it is less about quotas, more about equal opportunity for everyone."

Red Hat formally started its D+I journey in 2016, leading to several communities and groups forming globally (consistent with meritocracy) to provide ideas and thoughts around how Red Hat can approach D+I. Petra commented:

> "We're still at the beginning, creating awareness but have made huge progress, there is a real sense of energy, passion, with so many Red Hatters stepping in and volunteering."

For Dunja:

> "This awareness strategy has really infused the organization, there is so much passion, interest and appetite around these topics. It has been fascinating to see the openness and willingness to opt-in. Leaders committed to evolve the organization to support these goals and turning ideas and thoughts into action. We've created a D+I advisory board and continuously seek contributions. We want to make diversity and inclusion a habit for our leadership."

Red Hat Diversity and Inclusion Communities

The company now has five main communities, with more under consideration. Many of these started organically and have regional and functional chapters globally. Each community is now formally supported and funded, has a stated mission, and more critically, work to communicate their impact on the organization and the wider open source industry.

These five communities include:

- **Blacks United in Leadership and Diversity (BUILD).** Launched in 2017, this community's mission is to "foster a connected community of black Red Hatters and their allies while supporting Red Hat's efforts to recruit, develop, engage, and retain black associates and advancing our diverse, inclusive meritocracy."

- **Red Hat Pride.** Launched in 2014, this community's mission is to "connect, support, and empower LGBTQ+ Red Hatters and allies by creating a safe and welcoming community, advocating for inclusion, developing leaders, and making an impact within Red Hat and beyond."

- **Military Veterans.** Launched in 2017, this community's mission is to "represent the voice of military veterans and their allies at Red Hat and to amplify their contributions and opportunities within Red Hat's uniquely collaborative culture by harnessing their leadership and experience."

- **Neurodiversity.** Launched in 2018, this community's mission is to "empower Red Hatters with learning differences to contribute their best by building a supportive community with allies, educating Red Hatters on the value of neurodiversity, providing development opportunities for community members, and leaving a lasting impact on the neurodiversity community beyond Red Hat."

- **Women's Leadership Community.** This community informally launched in 2009, and as such is one of the most mature. In 2017, this was formally launched as a supported and funded community. This community's mission is to "provide a forum for our members to promote the exchange of ideas and experiences, provide networking opportunities, offer educational and cultural programs, enhance the growth of our members as leaders and decision makers and make a positive contribution to the next generation of women leaders in open source."

Beyond these communities, Red Hat has also undertaken several additional initiatives, including rewriting job descriptions to appeal to a broader audience and creating peer group TED-like talks.

A good example of the latter initiative (peer group talks) was related to creating awareness about gender diversity and cultural bias. In these sessions, they had a group of female employees present to male employees about their experiences in the industry. According to Red Hat, in many cases, men were genuinely surprised on what they learned and came out of these sessions with greater awareness and empathy for the issue. From Red Hat's perspective, these and other initiatives are being introduced across the organization to build awareness, address unconscious bias, and ensure sensitivity in addressing these, often complex, issues.

Bridging the awareness gap is key. IDC's own research into the topic of gender diversity has shown that when given a set of statements around perceptions and beliefs regarding gender diversity, inequality, and equal pay, men and women differ significantly on virtually every statement. Out of 12 statements, differences between what female versus male respondents believed were marked, the only area they were aligned was in the belief that there was of quality female candidates for science, technology, engineering and math (STEM) roles (https://www.idc.com/getdoc.jsp?containerId=IDC_P37952).

Since the emergence of the 3rd Platform and Innovation Accelerators, we've seen digital transformation impact all areas of the industry. Co-creation, coopetition, and collaboration are becoming the three C's of effective digital ecosystem practice, and this requires a diverse, collaborative working culture. IDC believes diversity is therefore an imperative for growth. Statistics show that tapping a more diverse workforce makes good business sense. In fact, we maintain that "diversity in experience, skills, and insights will be an essential competitive advantage in building strategy, engaging with customers, and uncovering new opportunities" (https://www.idc.com/getdoc.jsp?containerId=IDC_P37952).

Digital Transformation and Diversity

Digital transformation is as much a cultural transformation as it is a technological transformation. It demands new ways of selling and the ability to connect and collaborate – working with a customer, a partner, or both, and often within a multiparty ecosystem – to find meaningful solutions for the customer rather than meeting own interests. As customer needs evolve, the old-tech-industry style of hard selling is dying out. For Red Hat, this means bringing in new types of skills and personalities into the organization. In many ways, it requires fewer type A's and more team players. It maintains that if hiring doesn't evolve (i.e., if companies keep hiring the old-school-type salespeople), it will have an impact on the ability to meet this shift.

Red Hat Rethinks Hiring

Because it is an open source company, Red Hat has always embraced an open and collaborative approach to software development, and there is an opportunity to leverage agile principles and extend them into business and hiring processes within the company.

Red Hat has deployed a variety of tactics to hire candidates who are right for this new way of working. These include educating hiring managers, creating awareness of unconscious bias, and establishing panel interview teams in which the whole team gives feedback not only on competency, but also on cultural fit. They are also looking at ways to use feedback from the interview during the onboarding process (i.e., if a gap was perceived during the interview process, it will be addressed as a competency to be developed as part of the candidate's onboarding program).

While embedding agile principles into the business side and evolving hiring practices can help Red Hat create a more diverse workforce, the company is also looking at a variety of tactics to influence the ecosystems in which it operates.

Extending into the Open Source Community

Red Hat is pursuing a variety of initiatives to infuse awareness of D+I back into the open source community, including (but not limited to):

- **Outreachy.** This is an international project hosted by Software Freedom Conservancy that has been organized by the GNOME Foundation since 2010. Outreachy offers remote, mentored, paid internships to people from groups underrepresented in Free and Open Source Software (FOSS) with FOSS projects twice a year.
- **The Open Decision Framework (ODF) on opensource.com.** Launched by Red Hat in 2010, opensource.com is a site Red Hat uses to give back to the open source community by publishing stories about creating, adopting, and sharing open source solutions. On this site, Red Hat publicly shared its "Open Decision Framework." The framework was used by Red Hat internally and was released to the public in 2016. Inclusion lies at the heart of the framework, as it is about participatory decision making. It can be applied to projects as well as business planning and decision making, particularly in scenarios where a decision impacts culture and/or affects others outside the team where the decision or project is

being run. Red Hat describes it as "a process for making transparent, inclusive decisions in organizations that embrace open source principles." By making it available to the public, Red Hat is helping the open source community with an operational and tactical framework to overcome some of the hurdles associated with participatory decision making.

- **Open Culture.** Red Hat is also increasingly incorporating the themes of open leadership and open culture in its events (such as the Red Hat Forum) and other public forums. It is also publishing case studies to help its customers and partners understand the ODF model and how to apply it to their own business.

- **Women's Leadership Community.** It has created a forum for members to promote the exchange of ideas and experiences, provide networking opportunities, offer educational and cultural programs, and enhance members' growth as leaders and decision makers to make a positive contribution to the next generation of women leaders in open source.

- **Women in Open Source award.** Created and sponsored by Red Hat, this award aims to recognize women's impact on open source (i.e., those who make important contributions to an open source project or the broader open source community). It doesn't have to be code – it's also about women who are making a difference by applying open source principles to and beyond technology.

Extending into the Partner Ecosystem

Red Hat is also looking at ways that it can infuse awareness into its partner ecosystem – to offer the learnings, tools, competency models, and hiring and people development plans to its partners. Petra, who leads Red Hat's partnering organization, has started including these as themes in partner conferences as well as using tools like social media to communicate this culture in the posts, articles and commentary she shares. She also views her own team as vital to expanding new ways of thinking into the partner ecosystem:

> "We need to open eyes and this means equipping our partner account managers to start talking about this in the business planning and communication they have with their partners."

Continued Commitment and Incremental Improvements

While Red Hat has made significant progress internally and externally, it acknowledges that more can be done. According to Dunja:

> "At Red Hat we are only at the beginning of what we want to accomplish in the D+I space and far away from being perfect. But we are committed to it and we try every day to move an inch further."

ADVICE FOR THE TECHNOLOGY SUPPLIER

Making a Difference: The Women in Technology Example

D+I is a wide-reaching topic, and while gender representation is not the only diversity issue in the technology sector, it is unquestionably the area that has been given the most attention, research, and scrutiny. In the U.K., according to Women in Tech (www.womenintech.co.uk):

> "Only one in six tech specialists in the U.K. are women, only one in ten are IT leaders and, worse still, despite significant growth in the number of women working in technology and IT roles, female representation in the technology sector has stalled over the last 10 years."

When we consider that women represent just under half (46.5% in 2017) of the total labor force in the U.K. (https://www.catalyst.org/knowledge/women-workforce-uk), 1 in 10 is a dire statistic in terms of women in IT leadership positions. This and other research into D+I can help to shine the light on these issues, but more importantly, it also creates the opportunity to constructively discuss what needs to be done – in this case, to get more women into leadership positions in the technology sector.

Being Bold: How do we Get Them to Step Up?

It is perhaps justified, but simplistic, to jump to the conclusion that the lack of female leaders in tech may be down to unconscious bias or even maybe active discrimination or that a leadership position would compromise their family and private commitments. Of course, these issues do exist, but it is also often down to the individuals themselves.

Red Hat used as an example an exit interview with a talented, highly educated female – the former employee expressed regret and sadness she was that she was leaving, that she loved her job, but she just didn't see a progression in the company as she had not been considered when a more senior role came up. When challenged as to why she didn't apply for it, her response was "nobody asked me." As Petra commented:

> "She didn't drive her own career, rather was waiting for someone to ask her."

Leaders need to be aware that this, often flawed, perception does exist, and that different individuals will have different perceptions as to how to take ownership of their own careers. As much as Red Hat acknowledges, it is important to create an environment in which all employees are empowered to lead, but there is also a need to give career guidance and challenge this perception of waiting for someone to ask. Red Hat maintains that it needs its employees to be explicit as to what they want and where they want to go, to feel empowered to communicate this, and when opportunities arise, put their hands up. If unsuccessful, they should live with the fact, ask for the reasons why, and work on them. This is as true for women as it is for other underrepresented groups; this mindset is not limited to female talent.

Being Brave: How do we Encourage Embracing Opportunity Versus Readiness?

There have been several articles written about the perception that women still dominantly want to shine through results and achievements. According to Harvard Business Review, this finding came from an internal HP report and has been referenced in books such as Lean In and The Confidence Code. There is a perception that if a more senior (and challenging) role comes up, women may question whether they meet all the requirements for the role, and if they don't, may not apply. In other words, if a job description lists, say, 10 criteria, women may look at it and think, "well I meet 7 of those criteria, but not all 10," and won't apply. There is a perception that men will be bolder, and women will question whether they meet all requirements, more carefully consider whether they can do the job, and assess whether they have the environment that will support them. Sometimes, they just don't want the job. In response, Red Hat has become more open and inclusive in the way it writes job descriptions so that it can appeal to all sorts of audiences.

A practical example of this is that Red Hat uses an augmented writing tool called Textio to ensure that wordings in its job descriptions are appealing to all candidates. The tool helps Red Hat to eliminate words that tend to discourage women from applying (for example, "aggressive salesperson," "hunter," and "competitive").

Being Supportive: How do we Create an Environment That Appeals?

The decision against a job is often swayed by whether it matches their personal situation. To attract female talent, Red Hat maintains it is important to communicate that the company offers a supportive environment – an organization that connects gaps for females and listens to all voices, not just the loudest or most dominant. This needs to be consciously thought about and communicated.

... And is Supportive of Cultural Traits?

To Red Hat, this requires creating a "listening" organization. This helps the company to be more aware of different personality types, traits, and cultures. An inclusive organization provides a platform for all voices. Some cultures have no problem with being bold, speaking up, and being open about their aspirations, whereas others are more hesitant to speak out. Being culturally aware and inclusive is a key element of the "listening organization."

Conclusion

These are all big issues: talent, cultural change, diversity, and equality. It requires cultural awareness, sensitivity, and change, but it is all a business imperative.

For Dunja:

> "I think everyone's perception around diversity and equality is a very personal experience. In the workplace it is the combination of talent, personality, expectation and context. Not all individuals have the same personality, expectations nor needs and not all find themselves in the same context. Different people have different needs when it comes to how they want to be treated by people or an organization at a given time. This is the complexity of diversity and highlights the need for organizations to engage in a constant dialogue with people – across the entire talent population."

For Petra, it's about making individuals aware of their own ability to make an impact and share that culture of D+I:

> "It is as simple as just having the conversation, being advocates of this culture and philosophy. To be an agent of change, you need to start with yourself."

For IDC, addressing D+I requires measurable objectives and more transparency, not just on the gaps that exist, but also in terms of goals. These should be tied to performance metrics – tech companies need their employees to know what they're working toward as individuals, as leaders, and as an industry, and organizations should be judged accordingly.

LEARN MORE

Related Research

- *IDC FutureScape: Western Europe IT Industry Implications 2019* (IDC #EMEA44481618, December 2018)
- *IDC FutureScape: Worldwide Digital Transformation 2019 Predictions – European Implications* (IDC #CEMA44517818, December 2018)
- *Women in Technology: The Outrageous Opportunity for Parity, Innovation, and Profit* (IDC #US43284518, September 2018)
- *Creating an Engaged Business Culture for Innovation* (IDC #US43688318, April 2018)

Synopsis

This IDC Market Perspective is the first in a series of collaborative reports in which IDC addresses issues such as equality, diversity, and transformation as well as their implications on the tech industry. It has been written after a broad-ranging discussion between IDC and two leading female executives from Red Hat. The conversation covered everything from European cultural differences, diversity, leadership, talent, inclusion, organizational and cultural changes that digital transformation will necessitate, and critically, what open source culture can teach us about addressing these issues.

"Diversity, inclusion, and equality are big topics and a conversation worth having. A diverse talent pool is now a business imperative. An inclusive culture can help companies more effectively manage the complexities of transformation. I would love to see performance against diversity and inclusion goals be included in every company's performance statement, every RFP, and every company profile and every job spec," Margaret Adam, AVP, Services, Channels, Alliances and Ecosystems, IDC Europe.

About IDC

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