



DELL WE CITIES 2017

Bay Area, CA Case Study

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Bay Area Case Study

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Overview & Overall Scores

Bay Area, CA



Bay Area, California

Overall Score: 59.1 out of 100 / Overall Rank: 2 out of 50

The San Francisco Bay Area encompasses the major cities of San Francisco, Oakland and San Jose.

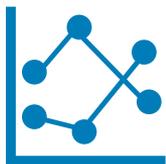
With a population of 7.65 million residents, the Bay Area is typically defined as the nine counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma.

For quantitative Bay Area indicators included in the 2017 WE Cities Index, the metro region is defined as the San Francisco-Oakland metropolitan statistical area (MSA) and the San Jose-Sunnyvale-Santa Clara MSA.



Bay Area Rankings

MARKET No. 2



Policy	2
Access	2
Cost	27
Size	16

TALENT No. 8



Access to Qualified Personnel	6
Women's Skill & Experience	15

CAPITAL No. 1



Capital Base	2
Gender Proportion	7
Number/Value	1

CULTURE No. 6



Policy	21
Attitudes & Experiences	21
Access to Mentors/ Role Models	10

TECH No. 7



Policy	12
Cost	6
Connected	14

Notable Policies & Practices

Bay Area, CA



Policies and Practices Impacting Women Entrepreneurs in the Bay Area

- **Venture Capital:** The Bay Area has more VC investment, on both an aggregate and per capita basis, than anywhere else in the world. There are **more than 320 VC firms in the region** and 19.1 percent of VC funds were given to Bay Area businesses with at least 25 percent female executives in 2016.
- **Access to Education:** Management and technology talent is abundant, due not only to the presence of 15 business schools, but also many coding boot camps, entrepreneurship and technology training programs and education programs and summer camps designed to teach relevant skills, even to young kids.
- **Mentorship:** The region has an **appreciation for risk-taking and entrepreneurship**. Many nonprofit and government organizations, accelerators and incubators help women entrepreneurs to build their networks and scale their businesses.
- **Parental Leave:** In 2016, San Francisco passed the **most comprehensive parental leave law offered anywhere in the country**, with parents earning the right to six weeks of fully paid leave starting January 1, 2017, even though the United States is one of the few countries that provides no guaranteed cash benefits to women during maternity leave.

Areas to Improve

Bay Area, CA



Areas to Improve in the Bay Area

Despite ranking as one of the greatest global cities for women entrepreneurs, the Bay Area has room for improvement in several areas, including:

- **Equity in Wages/Earnings:** Although the Bay Area has relatively high incomes overall, Bay Area women still earn less than their male counterparts across industries. In the three Bay Area industries that offer some of the greatest opportunities for gaining relevant management or entrepreneurial experience and have the highest wages for men (management of companies and enterprises; professional, scientific, and technical services; and information), **women earn up to one-third less than their male counterparts**. Employers with more than 100 employees are required to disclose a certain amount of baseline employment statistics to the U.S. Equal Employment Opportunity Commission in the Equal Employment Opportunity report, the EEO-1. However, efforts by companies to increase transparency about salaries, eliminate bias in hiring practices and disclose statistics regarding the diversity of their workforce should be continued.
- **Networking and Mentorship Opportunities:** Women in the NWBC Bay Area Town Hall said that they “need to support each other more in the workplace, rather than view each other as competitors.” Mentoring or networking programs should be started, continued and sufficiently resourced. These same safe, open spaces for women to voice their concerns and find peer support might also go a long way toward bucking the Silicon Valley trend that **women are leaving the tech industry at a 45 percent higher rate than men**.

Areas to Improve in the Bay Area

- **Housing costs:** With housing prices and rents costing more than anywhere in the U.S. except NYC and rising among the fastest rates in the world, the Bay Area can be a tough place for entrepreneurs – and their employees – to make ends meet, especially in early stages of company formation or growth. **The high cost of living also means entrepreneurs have to set aside large budgets for employee compensation to attract and retain high-quality employees in the region’s already competitive war for talent.** High housing and living costs also have longer term competitive repercussions: the San Jose metro area witnessed the highest level of out-migration among major U.S. metropolitan areas between 2015 and 2016.
- **Paid parental leave:** Following in San Francisco’s footsteps, other Bay Area cities might consider emulating the city’s landmark paid parental leave legislation or determining their own version of this law. This could be that female entrepreneurs and executives don’t have to pay a price associated with their gender – and can count on a basic source of capital while starting a family.

Markets

Bay Area, CA



Markets in the Bay Area

- Although the Bay Area is not the largest of the cities included in the 2017 WE Cities Index, the Bay Area's total gross metro product (GMP) in 2016 is nearly USD \$742 billion. Behind only the U.S. metro areas of NYC and Los Angeles, the Bay Area's economy is comparable to the size of the Holland's and larger than Turkey's.
- The three largest industry sectors in the region, by employment, are: professional, scientific, and technical services; health care and social assistance; and manufacturing. One interviewee also talked about how the industry diversity in Austin provides a lot of cross pollination for innovation, for example, between engineering and medical.
- The large amount of buying power in the region is also exemplified by the high salaries witnessed in the technology and biotech sectors with regional average annual wages of more than \$99,000, the highest of all U.S. metro areas.
- In addition to the large *size* of the local market, the Bay Area offers women entrepreneurs greater market access.
- Home to 10 of the [Fortune 2016 Global 500](#) businesses, the Bay Area puts local women entrepreneurs in close proximity to the headquarters of many large, multinational companies.
- And, further increasing market access for women-owned businesses, many Bay Area companies have corporate vendor diversity programs. For example, [Apple](#), [Wells Fargo](#), [Chevron](#), [Intel](#), and [PG&E](#) are corporate members of [WEConnect](#), a global network that connects women-owned businesses to qualified buyers around the world.
- Accelerators like [Y Combinator](#), [AngelPad](#) and [Founder Institute](#) offer support with idea and product development, team formation, fundraising, financing, building an exit strategy and expanding customer base.

Markets in the Bay Area

- Local government policies and programs also play a role in expanding market access for women entrepreneurs.
- The cities of San Francisco, Oakland and San Jose all have a website portal designed to help new businesses get started in the city.
- In 1998, the City of San Francisco became the first city in the world to [adopt a local ordinance](#) reflecting the principles of the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). Also, for two decades beginning in 1984, the City of San Francisco had a Minority Business Enterprise/Women Business Enterprise (MBE/WBE) program that required prime contractors bidding on San Francisco contracts to either “make use of MBE and WBE subcontractors in city projects or to demonstrate good-faith efforts to provide equal opportunities to MBE and WBE subcontractors.”
- However, **when it comes to Market Cost, the Bay Area ranks in the bottom half** (the only category where it ranks in the bottom half).
- For corporate tax it ranks No. 47 out of 50. One interviewee did see this as a positive, though, saying “**you have to be an optimist to live here,**” which is a critical entrepreneurial mindset.

Talent

Bay Area, CA



Talent in the Bay Area

With a female working age population (ages 20 – 64) of more than two million in the Bay Area, nearly three-quarters (60 percent) participate in the regional labor force, as compared to 17 – 80 percent in other global cities in the 2017 WE Cities Index.

- Bay Area women aged 25 and up are a highly educated group: more than half (55 percent) have at least an associate's degree and 19 percent hold a graduate degree or higher, compared to the [national average of 12 percent](#).
- The high levels of overall female educational attainment are also complemented by many courses designed to help women learn technology skills and thrive in the high tech industry: both [Girl Develop It](#) and [Women Who Code](#) have chapters in Oakland, San Francisco and Silicon Valley; [Girls in Tech](#) (GIT) has a San Francisco chapter; [Black Girls Code](#) has a Bay Area chapter; and there are many other technology and STEM education programs in the Bay Area designed for women, such as the [Girls Make Games](#) summer camps, [Techbridge Girls](#)' after-school and summer programs, and [Hackbright Academy](#), an engineering school for women with a mission to “increase female representation in tech through education, mentorship and community.”
- Women can also learn business and management skills at any of the 15 accredited business schools in the Bay Area where female enrollment in MBA programs averages 45 percent.
- But, the ratio between women and men who hold an MBA is 0.6, meaning for every three women with an MBA there are five men with an MBA, ranking it No. 10 among all cities in the 2017 Dell WE Cities Index.

Talent in the Bay Area

- Bay Area women find the greatest number of employment opportunities in the following sectors: health care and social assistance; professional, scientific and technical services; and educational services (the three largest sources of female employment in the Bay Area).
- Of more than 1.5 million employed women in the region, nearly 16,900 (0.5 percent) are employed as top executives (as compared to 1.1 percent of employed Bay Area men), ranking it No. 12 on this indicator, and more than 1,500 (0.1 percent) work in the industry defined as “management of companies and enterprises.”
- In addition to having a large number of highly educated and experienced businesswomen and entrepreneurs, the Bay Area also offers women entrepreneurs access to a **significant talent pool of diverse, highly educated and qualified professionals.**
- More than half of the Bay Area population has at least an Associate’s degree, the ranking **No. 8 for highest tertiary educational attainment rate** in the 2017 Dell WE Cities Index.

Talent in the Bay Area

- The Bay Area's highly educated workforce is in part due to the presence of four of world's 1000 best global universities (as evaluated by the [U.S. News & World Report](#) in 2017): Stanford University, University of California, Berkeley, University of California, San Francisco, and San Francisco State University.
- Despite the vast pool of talented people, there is often intense competition for talent that makes it difficult for entrepreneurs to recruit and retain specialists in some fields.
- In the Bay Area people tend to want to work for startups and can work in startups because of the abundance in the area. Our interviews found that this is not the case everywhere, and also that working for a startup is a different mindset than working in an established company where processes are traditionally better defined and there is more organizational structure and pay structure.
- The diversity of the workforce contributes to diversity of thinking in the Bay Area.
- One-third of Bay Area residents were born in other countries and, in recent years, the San Francisco-Oakland-Hayward MSA has one of the highest net domestic in-migration rates (the difference between people arriving in the area and those moving away) among all U.S. metro regions. One interviewee expressed that having this diversity allows for innovation.

Capital

Bay Area, CA



Capital

For women entrepreneurs, access to capital depends on three main things: the total pool of investment funds available, women-owned businesses' ability to garner their fair share of the available funds and women's ability to build their capital base.

Focused on sheer numbers, the Bay Area is the best in the world.

- The Bay Area ranks No. 1 for: the most active corporate VC firms, the value of VC funds given to businesses with at least 25 percent female executives and the number of VC firms with greater than 25 percent female partners.
- The area ranks No. 2 for the number of women-founded VC firms.
- Bay Area investors, as compared with investors with financial services backgrounds, are more likely to have had experience launching startups themselves. However, this can create a bias in the types of companies that get investment dollars.
- At least one interviewee in the Bay Area said that it was difficult to raise VC funding in the Bay Area if you are not in the tech or biotech industry.



Capital in the Bay Area

- The availability of capital doesn't tell the whole story. Despite the fact that venture capital for women entrepreneurs is more abundant in the Bay Area than in other regions, at a 2016 roundtable event for high growth women entrepreneurs hosted by the National Women's Business Council (NWBC), participants noted several challenges associated with raising capital as a woman entrepreneur in Silicon Valley.
- Among the challenges are the **intense time requirements for CEOs during fundraising periods** that make it “very difficult to meet the 100-hour-a-week requirements of work while still finding time for family.”
- However, the Bay Area has improved in gender proportion of funding and ranks No. 10 for the percent of businesses with a woman founder or executive in a second funding round or higher.
- Examining gender ratios in later-stage VC funding rounds is important because it highlights the inequalities in the practice.
- However, VC is only one source of funding. Entrepreneurs also finance their businesses through personal savings, loans from family or friends, crowdfunding or loans from banks (often secured with a personal residence).
- With high average annual incomes and some of the world's most active crowdfunding sites, aspiring women entrepreneurs in the Bay Area have significant opportunities to raise capital.

Capital in the Bay Area

- However, the Bay Area's No. 6 rank in terms of the number of high net worth individuals (potential investors) might be related to the fact that the Bay Area's high cost of living inhibits people with high incomes from building wealth as quickly as they otherwise could.
- The No. 6 rank could also be tied to the fact that women in the Bay Area earn less than men, including in technology jobs where they make about [\\$9,000 less annually than their male counterparts](#). (Note that this is despite the fact that California has the strongest equal pay protections in the U.S. and San Francisco's new paid parental leave laws expand California's paid family leave law to provide new parents that work for businesses and nonprofits with 50 or more workers with 100 percent of their wages for up to six weeks).
- Bay Area policies such as these directly help women maintain income continuity during the early days of parenthood and can help level the playing field for women with regard to future wages, job opportunities and earnings potential.

Culture

Bay Area, CA



Culture

There is often consensus among female entrepreneurs and CEOs about the value of having a support network of people who understand the challenges that they face, can be a sounding board as they contemplate big decisions, and can serve as mentors and friends. In the Bay Area, there are many networks designed for this very reason, comprised of both males and females.

- Networks in the Bay Area include: [Astra's Northern California Leadership Forum](#) (a regional partner organization of the Women's Business Enterprise National Council - WBENC), [Astia](#), [AnewAmerica's Women's Business Centers](#) in downtown Oakland and San Jose, [NAWBO San Francisco Bay Area](#) and [NAWBO Silicon Valley](#), the Women's Network run by the [Renaissance Entrepreneurship Center](#), [Women's Startup Lab](#), and those housed at Bay Area universities and business schools such as the [Berkeley Entrepreneurs Association](#) or the [Stanford Venture Studio](#).
- The NWBC's February 2016 Bay Area Town Hall Summary Report explains: "The mere fact that there are so many entrepreneurs concentrated in the Bay Area means that it is easier to network and be exposed to new ideas and opportunities than in many communities."
- Many interviewees from the Bay Area expressed the value of the community and how the smaller geographic area combined with a high concentration of entrepreneurs allows people to "bump into" people that can be helpful.



Culture in the Bay Area

- One of the unique characteristics of the region's female entrepreneurial ecosystem, noted by the women who were convened by NWBC in January 2016, was the Bay Area's entrepreneurial mindset.
- One participant described this mindset as a “freethinking, Wild West, not-afraid-to-fail spirit.” The region has an infatuation with disruptive technologies and willingness to try new things. Our interviewees also expressed the positive vibe where people think things are possible and that creates a lot energy for startups.
- However, this same innovative and entrepreneurial environment that has been cultivated by the Bay Area tech industry has been criticized for its “bro” or “brogrammer” culture.
- In fact, sexism and harassment continue to be major problems for local women entrepreneurs and the [2015 Elephant in the Valley](#) survey of 210 women (91 percent living in Silicon Valley) revealed, among many other disturbing facts, that:
 - 90 percent witnessed sexist behavior at company off-sites and/or industry conferences
 - 88 percent have experienced clients/colleagues address questions to male peers that should have been addressed to them
 - 84 percent have been told they are too aggressive (with half hearing that on multiple occasions)
 - 59 percent have felt they have not had the same opportunities as their male counterparts
 - 47 percent were asked to do lower-level tasks that male colleagues were not asked to do
 - 1 in 3 have felt afraid of their personal safety because of work related circumstances

Culture in the Bay Area

- These kinds of discriminatory behaviors against women in the Bay Area have been brought to the forefront by the [2012 gender discrimination lawsuit Ellen Pao filed](#) against her previous employer, Kleiner Perkins Caufield & Byers (one of Silicon Valley's most well-known venture capital firms); the 2015 class action gender discrimination [suit filed against Twitter](#) by former engineer Tina Huang; the gender discrimination, harassment and retaliation [lawsuit filed against Facebook](#) by former employee Chia Hong the same year; and the highly publicized February 2017 [blog post](#) by former Uber engineer, Susan Fowler, chronicling the discrimination and misogynistic atmosphere she experienced while working at the company.
- While our interviewees say there is now an awareness about unconscious bias, there is still more “talk than action.”
- Further, as in the rest of the U.S., which is the only industrialized country without national legislation entitling women to paid maternity leave, Bay Area women entrepreneurs also feel that the business culture is often not supportive of families and there is a strong need to improve child care in the U.S.

Technology

Bay Area, CA



Technology in the Bay Area

- Silicon Valley houses the headquarters of some of the most well-known tech companies, including Facebook, Google, Apple, Intel, Yahoo, eBay and Cisco.
- The southern portion of the Bay Area (in the Santa Clara Valley that includes the city of San Jose and surrounding cities and towns) is known as Silicon Valley due to the large number of silicon chip innovators and manufacturers in the area.
- Since the 1950s, Stanford has played a critical role as an incubator of technology by funding student research, hiring top engineers and scientists to serve as faculty, building the Stanford Research Park, and encouraging entrepreneurship and collaboration with industry.
- Places refer to themselves as the “next Silicon Valley” when they strive to become a hotbed of technology innovation.

Technology in the Bay Area

- Though the Bay Area ties for the No. 1 rank in the proportion of women to men that use the internet and in the proportion of women with smart phones, it ranks No. 23 for gender equality in LinkedIn use.
- Despite being a hub of tech innovation, it ranks No. 21 for the number of smart city projects, which can help to better connect people with the physical world, improve transparency and inspire further innovation.
- Realizing the importance of technology in regional competitiveness, local governments have begun to implement policies to improve technology quality, improve access and decrease cost. For example, in 2015 the San Francisco city government released the city's first Connectivity Plan, which is an important component of its new [five-year overall technology plan](#).
- Mayor Ed Lee notes, "The Connectivity Plan is the city's first step in developing a strategy to help narrow the digital divide and support the next generation of job creators."
- Other local government investments that help the Bay Area in the technology Policy subcategory include an open data portal that makes public data transparent and numerous opportunities for women to get technology training.
- However, Bay Area governments could do more to ensure that gender-based disparities in technology utilization are quickly identified and rectified by collecting data on the local use of technology by gender, which few cities do today.

Bay Area Women Entrepreneurs

Bay Area, CA



AMY NORMAN

Co-Founder and Co-CEO, Little Passports



[Little Passports](#) is a company that develops innovative products and experiences that inspire children to learn about the world and become young global citizens.

Background: Amy Norman is the co-founder and co-CEO of Little Passports, Inc., a children's media company inspiring children to learn about the world. Launched in 2009, the company has four innovative subscriptions that introduce children to the world around them via monthly postal packages and online games. Amy is a seasoned leader with over 20 years of experience in general management, strategy, and finance. Amy gained her operating experience at eBay having spent her early career focusing on finance and strategy, both at McKinsey and earlier as a CPA. She's also a member of Small and Medium Business Council at Facebook and a contributor at Forbes.

Recent coverage:

- She Was Pregnant. Her Marriage Was Ending. And She Was Bootstrapping A Non-Tech Company In SF – [Forbes](#)
- Small Business Snapshot: Little Passports – [Business News Daily](#)
- Women in Business Q&A: Amy Norman, Co-Founder and Co-CEO, Little Passports – [Huffington Post](#)

ROSE BROOME

Co-Founder and CEO, HandUp



HandUp is a fundraising platform for nonprofits focused on poverty. HandUp's 100 nonprofit customers located across the San Francisco Bay Area, Detroit, and Salt Lake City have raised over \$2M on the platform to date. Donations go toward basics like housing and medical care with transparency and updates to donors.

Background: Rose Broome is passionate about using the power of technology to create social change. She came up with HandUp after passing a woman sleeping on the street in the winter of 2012 and wanting to see a new way to give. Previously, Rose served as COO at SuperBetter Labs and as a Data Manager for Barack Obama's 2008 presidential campaign. Rose loves organizing the community and has been active in groups like Science Hack Day and Food Not Bombs. In 2015, HandUp won the Webby Award for Best Charity People's Voice and Rose was listed in the Top 100 People in Tech by Business Insider.

Recent coverage:

- Tech tackling homelessness | Bullish – [TechCrunch](#)
- Rose Broome uses crowdfunding to offer hope to homeless – [SFGate](#)
- Apps I Live By: HandUp Founder & CEO Rose Broome – [NBC News](#)

DANAE RINGELMANN

Founder and Chief
Development Officer, Indiegogo



Indiegogo is the global platform for entrepreneurs to bring their ideas from concept to market"

Background: Danae is one of the founders of Indiegogo. After both witnessing her parents struggle to find capital for their business and failing to help several independent artists finance their independent projects, she quit her day job in finance to develop a business idea that would address the inequities and inefficiencies in funding by democratizing access to capital. A year later, Danae launched Indiegogo with her two co-founders, Slava Rubin and Eric Schell. Danae has been listed as one of Fortune Magazine's 40 under 40, and a Young Global Leader by the World Economic Forum. Prior to starting Indiegogo, Danae worked in equity research and corporate finance at Cowen & Co, and JPMorgan. She holds a BA in Pre-Med and American Studies from University of North Carolina and an MBA from University of California, Berkeley

Recent coverage:

- How To Boss It Like... Danae Ringelmann, founder Indiegogo - [The Memo](#)
- The Gogo factor: how to make your fortune through crowdfunding - [Wired.co.uk](#)
- Indiegogo's founder was rejected 90 times—here's how she bounced back - [CNBC](#)

