



# **TXI Annual Diversity Report 2024**

**Prepared for TXI by Ethos**

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## About TXI's Annual DEIB Report

TXI is an employee-owned digital product consultancy. Our team of strategists, designers, and engineers build award-winning data products for web, mobile, IoT, desktop, and devices. From startups to Fortune 100s, we uncover knowledge from data that drives meaningful outcomes for organizations. To deliver the best solutions, we need positive, inclusive environments with as much diversity in the room as possible.

Our Annual Diversity, Equity, Inclusion, and Belonging (DEIB) Report allows us to hold ourselves accountable for DEIB within our community. In doing so, we set a baseline against which we can measure change and seek to apply new insights and personal learnings we gain toward meaningful organizational growth.

### Why Is DEIB Important to Us?

At TXI our product is our people. We need to be able to learn from each other. We also believe that to be seen for who you are – and to have the opportunity to feel a sense of belonging – is a universal human need. 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 selves to work. That's why we're working to create an environment that is inclusive for everyone.

## 2023 Highlights

### Justice Pillars

The focus of DEIB at TXI in 2023 centered on our [four justice pillars](#) and cultivating partnerships within the communities already leading work in these areas.

1. Racial Justice
2. Environmental Justice
3. Disability Justice
4. Gender Justice

We engaged in a deeper understanding of these pillars, their interconnectedness, and how we might use our privilege and passion most effectively.

### Gender Justice

As part of our investment in the four justice pillars, we conducted significant qualitative and quantitative research into women's experiences at TXI based on employee engagement data gathered at the beginning of the year that showed divergent experiences for men and women at TXI. The findings from that research prompted us to reimagine our approach to career progression (work ongoing in 2024) as well as a focus on an equitable and inclusive culture of critique.

### TXI's ESOP Status

Throughout 2023, [TXI embraced the mindset of being 100% employee-owned](#) through an employee stock ownership plan (ESOP). The transition from private ownership to ESOP allowed TXI to retain its organizational culture and core values of diversity, equity, inclusion, and belonging. TXI will continue to grant additional shares to employees annually, a practice that has been [shown to reduce wealth inequality](#).

## Assessment Methods

TXI partnered with Ethos to review and synthesize a variety of surveys, datasets, and organizational goals. The insights developed come from an in-depth analysis of the anonymous 2024 Employee Engagement Survey and its Demographic Data, a separate 2024 Self-Identified Demographic Data reporting on Race and Gender, 2024 Goals, 2023 Diversity Recruiting Self-Identification Data, 2019-2024 TXI Headcount and aggregated employee experience and demographic data from 2020, 2021, and 2023.

For ease, we will use the following naming conventions for the different data sources:

- 2024 Employee Engagement Survey: **2024 Engagement Survey**
- Its associated demographic data: **2024 Engagement Demographics**
- 2024 aggregated, anonymized Self-Identified Demographic Data: **2024 Self-ID**
- 2024 Goals: **2024 Goals**

- 2023 Diversity Recruiting Self-Identification Data: **2023 Recruiting Demographics**
- Aggregated employee experience and demographic data from 2020, 2021, and 2023: **2020-2023 Experience and Demographics**

Ethos conducted the survey analysis to maintain employee confidentiality.

## Results, Trends, and Benchmarks

In this section, we show diversity results from the **2024 Self-ID** that Ethos analyzed on our behalf, in which **84%** of TXI staff submitted responses. We also show results from the 2020, 2021, and 2023 surveys, where available, to compare trends over time. TXI aims to gather diversity data at least every other year to stay informed of trends and changing demographics among staff.

We evaluated progress regarding our goals set from 2020 through 2023 based on the **2024 Engagement Survey** and the **2024 Self-ID**. The findings are summarized in the table below and organized by goal: **overrepresentation, career growth, gender equity, DEIB strategy, and feedback.**

### Goal Summary

Goal	Commitment	Findings	Data Sources
Correct for Overrepresentation	Track overrepresentation at TXI, specifically as it relates to how we recruited, retained, and promoted people from underrepresented and underserved social identity groups.	Since 2020, TXI has seen gains in the representation of women and People of Color within the organization. In 2024, we will set new three-year goals to continue this work.	<b>2024 Self-ID</b>
Career Growth	Support all employees in their career growth at TXI and provide competitive total compensation that aligns with employee performance.	TXI staff members were more likely to be neutral about or disagree with statements indicating they had career progression opportunities or their total compensation was fair, suggesting there is room for improvement in achieving this goal. In 2024, our Growth goal continues the work in this	<b>2024 Engagement Survey</b>

		area.	
Gender Equity	Take a more constructive look at internal and external barriers contributing to women-identifying employees feeling lower confidence in their career opportunities at TXI.	For the second year in a row, TXI held gender parity between men and women employees at the organization. Survey respondents tended to rate advancement in their career opportunities at TXI more unfavorably than other categories. In 2024, our Growth goal continues the focus on equitable career opportunities.	<b>2024 Self-ID and 2024 Engagement Survey</b>
DEIB Strategy	Build an organizational culture that weaves DEIB into our work.	TXI has shifted its focus from setting DEIB goals separate from organizational goals to integrating them.	<b>2024 Goals</b>
Culture of Feedback	Provide greater clarity in TXI's staff roles, team responsibilities, and communication channels, with the aim of continuing to foster a culture of psychological safety.	Survey respondents indicated there was more work to be done towards achieving this goal. Specifically, of the eight questions focused on feedback and recognition, seven were rated unfavorably and none were rated favorably. In 2024, our Excellence goal continues the work in this area.	<b>2024 Engagement Survey</b>

**Context**

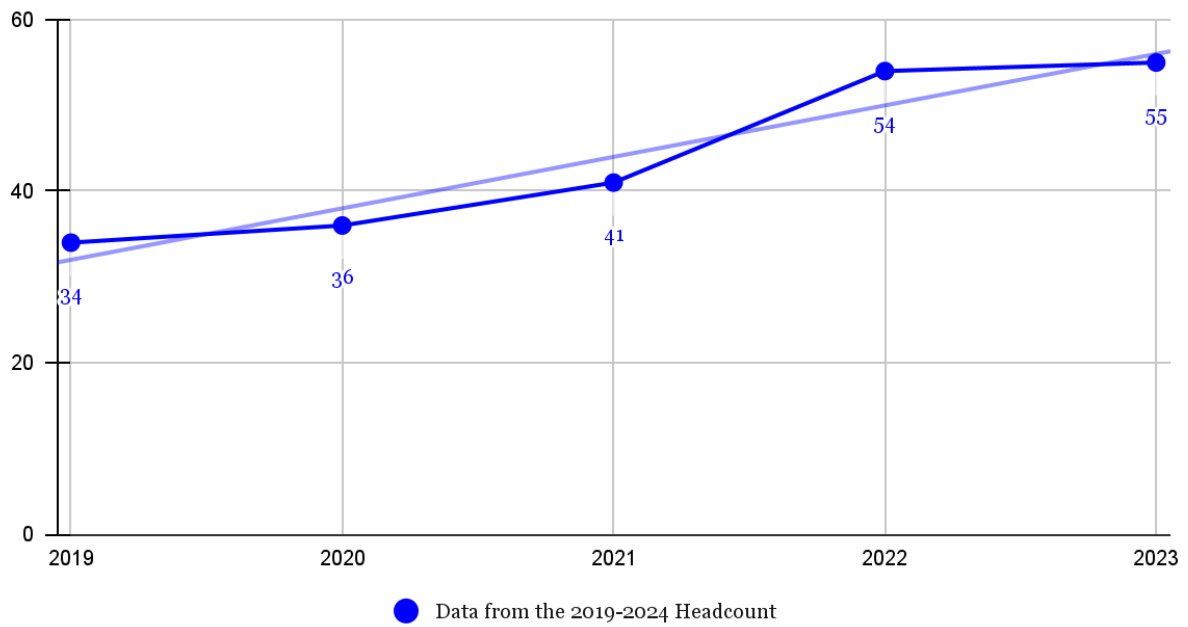
The findings, especially about Career Growth, should be considered in the challenging financial context that the tech industry and our organization faced in 2023. According to [ALTIndex.com](https://www.altindex.com), tech companies laid off over 226,000 employees in 2023. Though TXI didn't lay off employees, the possibility of layoffs was discussed immediately before the engagement survey was sent, potentially impacting employees' sentiments about career growth and opportunities.

**Organizational Headcount**

**Change Over Time**

Since we began analyzing and publishing data on DEIB in 2020, TXI has grown its headcount of full-time employees. As a result, some of the data in the sections below is represented as percentages instead of raw numbers to account for a change over time reflecting increased employee numbers.

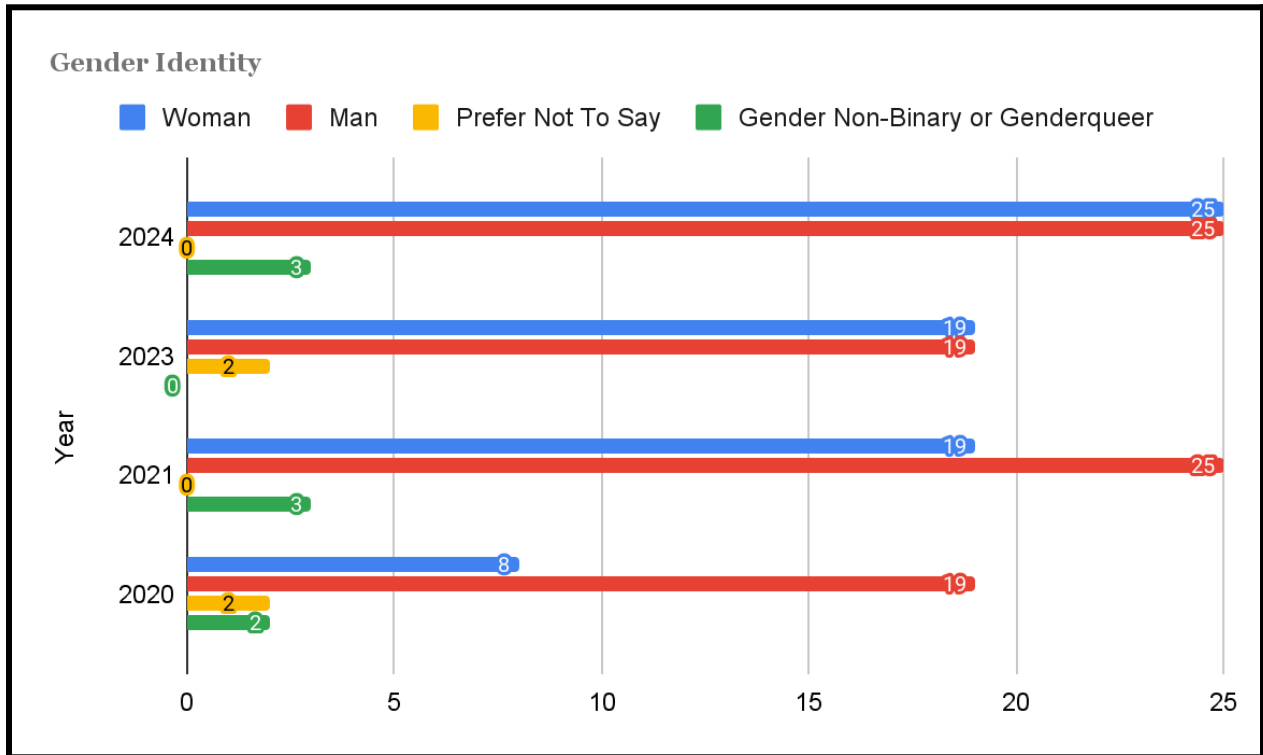
## Change in Full-Time Staff Headcount Over Time



TXI often employs contractors or part-time staff, but they are not included in these counts. These are the average number of FTEs by calendar year, given that; naturally, headcount fluctuates throughout the year as people exit and join.

## Gender Identity

### Demographic Change Over Time

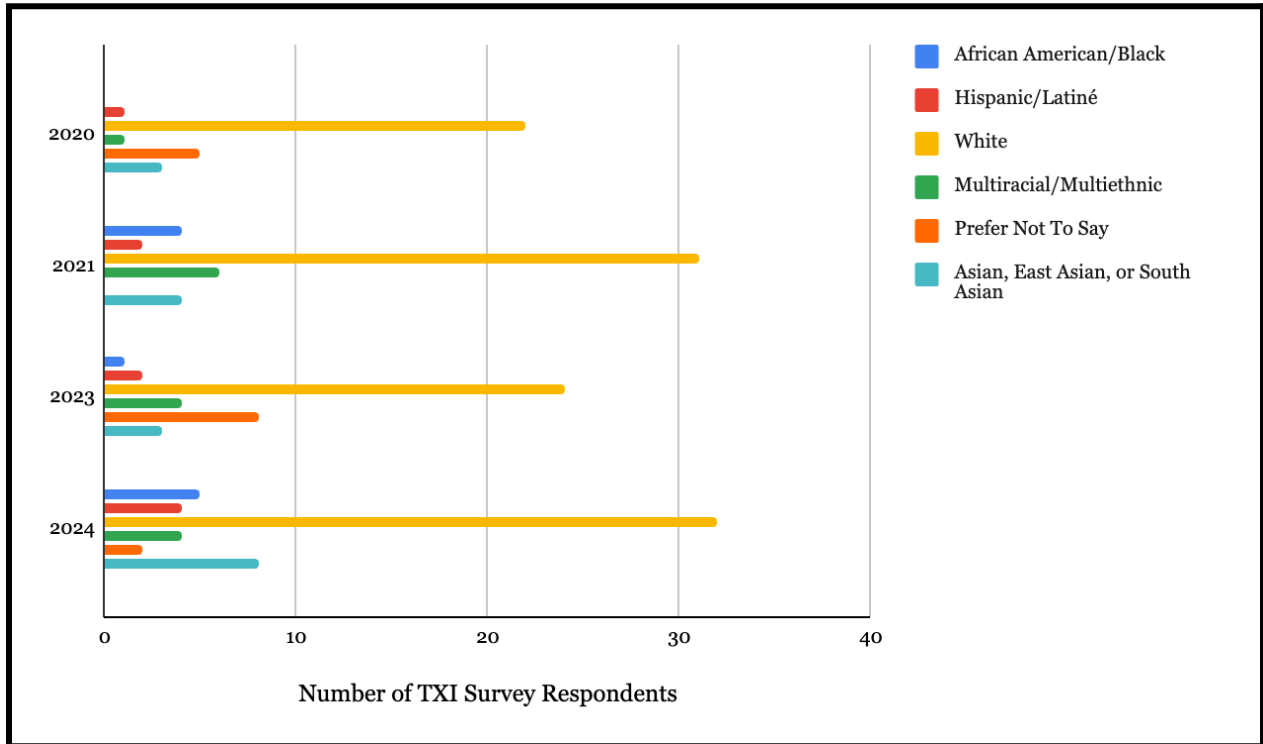


Data Sources: 2020-2023 Experience and Demographics and 2024 Self-ID

- In 2024, TXI saw parity between respondents identifying as men and women, as well as an increase in employees self-reporting as gender non-binary or genderqueer. In 2023, no employees self-reported identifying as gender non-binary or genderqueer.
- [Surveys in 2020 and 2021](#) showed that employees were more likely to identify as men than women and other gender identities. In 2020 and 2021, employees identifying as non-binary or genderqueer represent a smaller share of TXI staff (approximately 6% of respondents) than men and women.

## Racial/Ethnic Identity

### Demographic Change Over Time



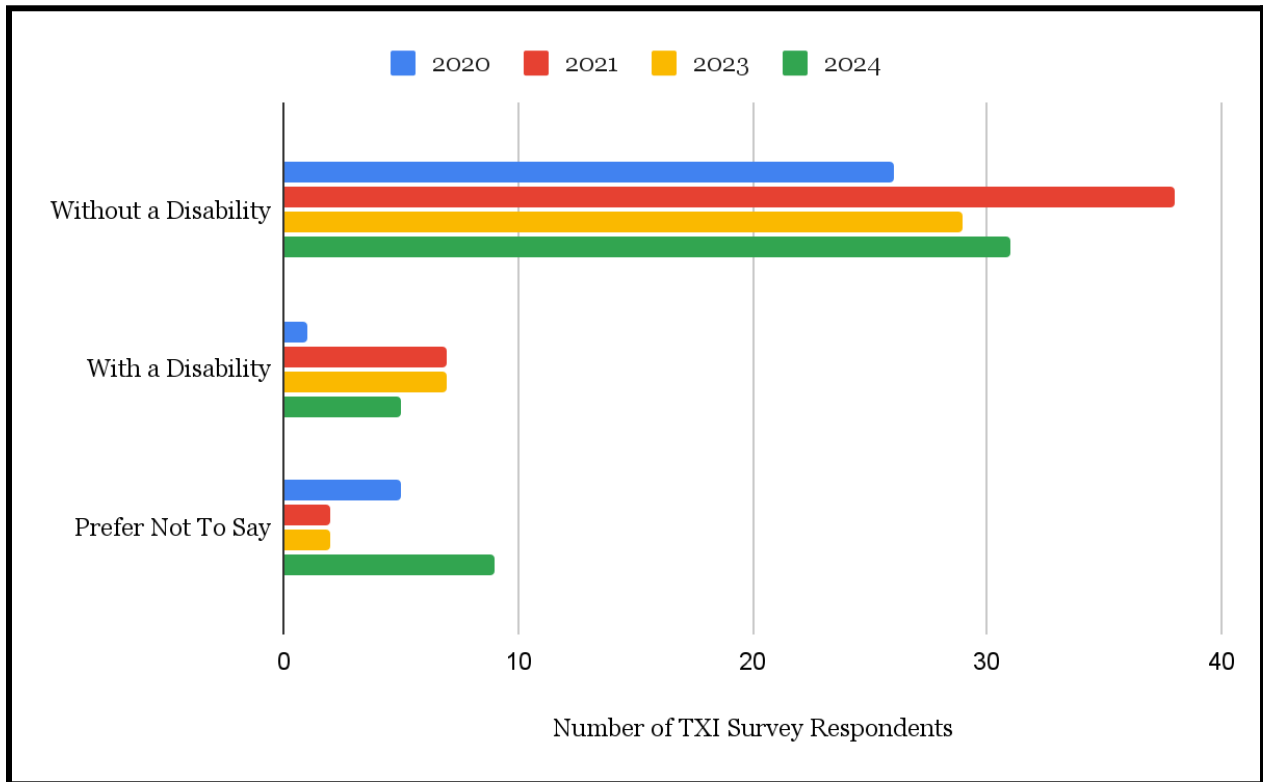
Data Sources: 2020-2023 Experience and Demographics and 2024 Self-ID

- In 2024, employees who identify as White remain the highest proportion of staff (**58.2%**). This is a **3%** increase from those who self-identified as White in 2023 (**55.8%**).
- The share of employees identifying as Black, Indigenous, and People of Color (BIPOC) increased from **25.6%** in 2023 to **38.2%** in 2024.
- Some of the increases in representation data in 2024 may result from higher participation because this year, this demographic data on Race and Ethnicity comes from a separate self-identification survey with no link to sentiment-related questions.
- To report on non-disclosure, we look at the demographic data from **2024 Engagement Demographics**. For racial identity, **27.3%** of survey respondents did not disclose their race in 2024, versus **18.6%** in 2023.
- For the category labeled “Asian, East Asian, or South Asian,” survey data for **2024 Self-ID** represents only those who self-identified as East Asian, as the other categories were not offered in the demographic survey questionnaire.



## Disability

### Demographic Change Over Time

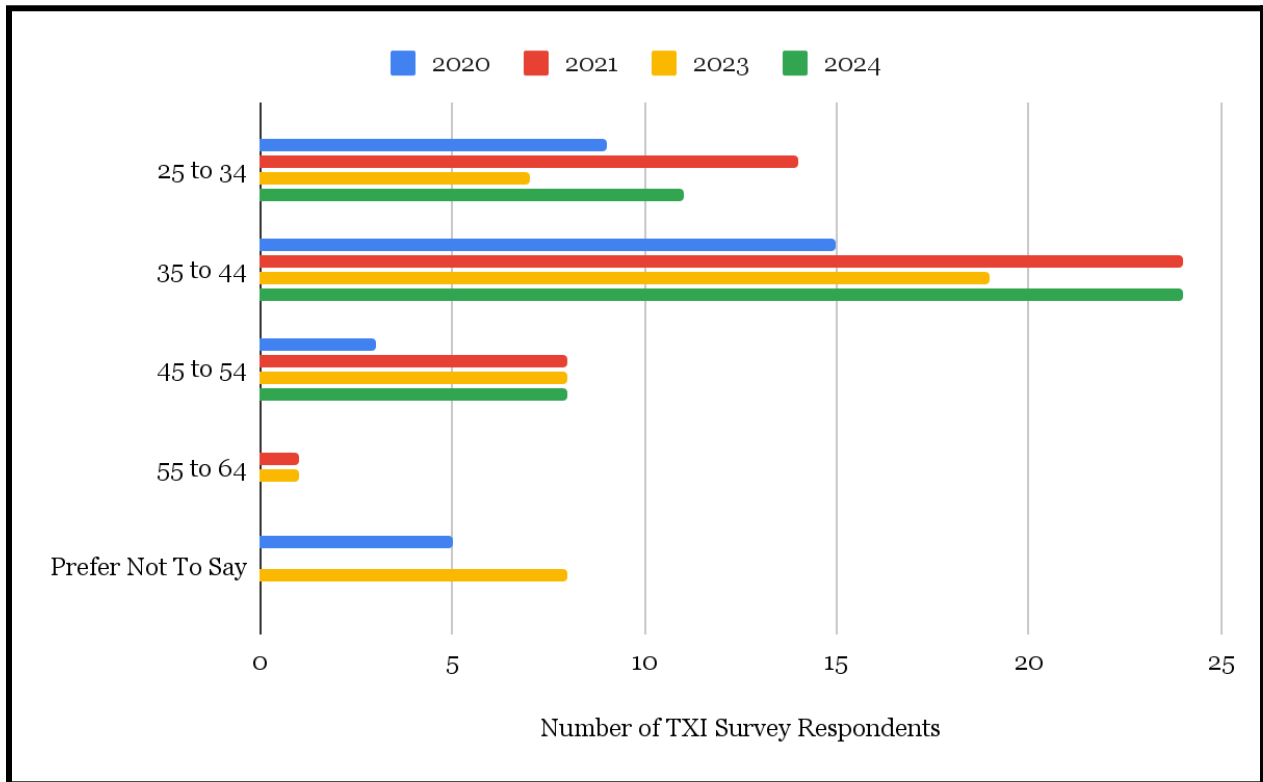


Data Sources: 2020-2023 Experience and Demographics and 2024 Engagement Demographics

- In 2024, employees who self-identify as having a disability account for **11%** of TXI staff who responded to the survey. This is a slight decrease from 2023, when **16%** of TXI staff self-identified as having a disability. However, there was a significant increase in employees who did not wish to disclose.
- The current percentage is aligned with [U.S.](#) and [global estimates](#) of people with disabilities.

## Age

### Demographic Change Over Time

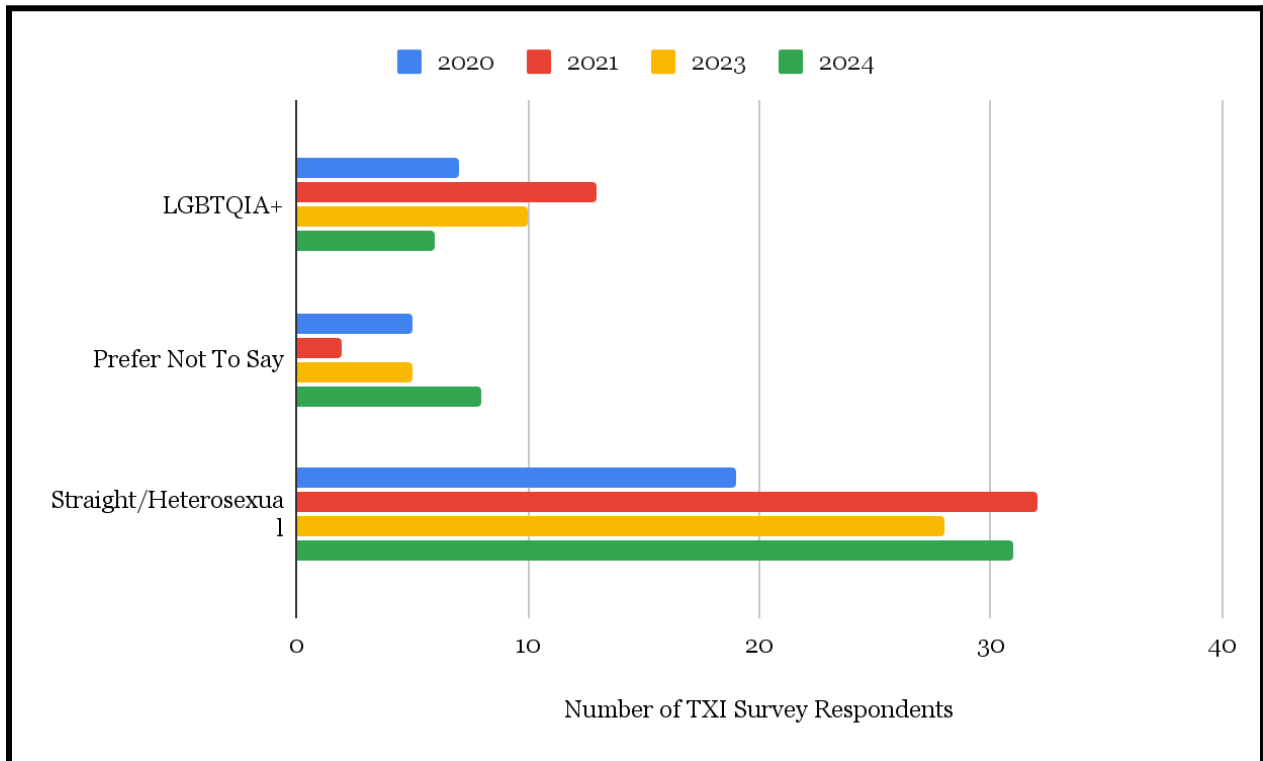


Data Sources: 2020-2023 Experience and Demographics and 2024 Engagement Demographics

- The largest proportion of TXI survey respondents in 2024 were aged 35 to 44, accounting for **43.6%** of respondents, which is consistent with surveys from 2020, 2021, and 2023.

## Sexual Orientation

### Demographic Change Over Time



#### Data Sources: 2020-2023 Experience and Demographics and 2024 Engagement Demographics

- In 2024, employees identifying as straight/heterosexual remained the largest proportion of staff, consistent with the data from past surveys.
- There was a decrease in employees identifying as LGBTQIA+, with **13.3%** self-identifying as LGBTQIA+ in 2024 versus **23.3%** in 2023 and **27.7%** in 2021. This is above [the national average of 5.9%](#).
- Additionally, there was an increase in employees preferring not to share their sexual orientation compared to 2023.

### Manager information

Starting in 2023, TXI is reporting on the demographics of its managers as a means of further correcting for overrepresentation. We plan to continue collecting this information in the future and reporting on the trends year over year.

#### Summary

Below are the demographics of TXI managers from underrepresented and underserved groups (data source: **2024 Self-ID**).

- **Gender:** 56% of managers identify as female or non-binary
- **Race/Ethnicity:** 25% of managers identify as POC

### Recruiting Information

Starting in 2023 and continuing in 2024, TXI has begun collecting demographic information on candidates in the recruiting pipeline as a means of further correcting for overrepresentation. We plan to continue collecting this information in the future and reporting on the trends year over year.

### Summary

Below are the demographics of candidates from underrepresented and underserved groups who entered the TXI recruitment pipeline (data source: **2023 Recruiting Demographics**).

- **Gender:** 41.8% identify as non-male, with about 39.7% identifying as female
- **Race/Ethnicity:** 47.1% identify as non-white
- **Disability:** 6.7% identify as disabled
- **Sexual Orientation:** 12.2% identify as LGBTQ+
- **Veteran status:** 2.1% identify as veterans

### Sentiment Analysis

Most of our employee sentiment analysis is based on the **2024 Engagement Survey**. We categorized the results into Strengths and Areas of Improvement. We worked from aggregated and anonymized demographic data (**2024 Engagement Demographics**) to understand if there were major gaps in employees' sentiments depending on their identity groups.

### Strengths

1. TXI employees agree that their managers care about their well-being and that someone at work cares for them.
  - a. **91%** of respondents agree with the statement: "My manager genuinely cares about my wellbeing."
  - b. **84%** of respondents agree with the statement: "Someone at work cares about me."
2. TXI employees rate their experience of Work & Life Blend favorably.
  - a. **83%** of respondents agree with the statement: "We are genuinely supported if we choose to make use of flexible working arrangements."
  - b. **80%** of respondents agree with the statement: "I am able to arrange time out from work when I need to."
3. TXI employees rate their experience of Enablement – having the right resources and information to do their work – favorably.

- a. **87%** of respondents agree with the statement: “We have enough autonomy to perform our jobs effectively.”
- b. **80%** of respondents agree with the statement: “I’m able to do my job effectively in a remote environment.”

### **Areas of Improvement**

1. One of TXI’s goals for DEIB was to cultivate a culture of feedback. According to survey respondents, there is an opportunity to improve in this area. Specifically, of the eight questions focused on feedback and recognition, seven were rated unfavorably, and none were rated favorably. Those with the least favorable ratings are indicated below.
  - a. **70%** of respondents are neutral about or disagree with the statement: “When it is clear that someone is not delivering in their role, we work with them to help them succeed or help them find a better fit.”
  - b. **59%** of respondents are neutral about or do not agree or disagree with the statement: “Generally, the right people are rewarded and recognized at TXI.”
2. Another TXI goal for DEIB was to invest in Career Growth. According to survey respondents, more can be done to achieve this goal.
  - a. **69%** of respondents are neutral about or disagree with the statement: “I understand what the next step in my career progression is.”
  - b. **62%** of respondents are neutral about or disagree with the statement: “I’m excited about the next opportunity for me at TXI.”
  - c. **60%** of respondents are neutral about or disagree with the statement: “I believe my total compensation (base salary+any bonuses+benefits) is fair, relative to similar roles at other companies.”
3. TXI respondents rated questions related to a connection to the organization’s mission and long-term employment opportunities lower than other dimensions.
  - a. **45%** of respondents disagree with the statement: “I rarely think about looking for a job at another company.”
  - b. **33%** of respondents disagree with the statement: “The leaders at TXI have communicated a vision that motivates me.”

### **Impact of identity**

For all the previous areas of improvement, respondents who chose not to specify their identity for Disability Status, LGBTQ+, and Racial Identity had even less favorable sentiments than the other groups, with favorable rates going as low as **0%** for questions about Career Growth.

# Closing and Next Steps

This annual report is a point-in-time snapshot of our organization. We publish this report each year to track our progress and hold ourselves accountable. As we consider the progress we have made since we first published our annual DEIB report in 2021, we make the following reflections for continuing our commitments.

In 2024, we have elected to treat DEIB goals not as separate from our organizational goals but as part of them. Our five goals, which we will approach with a DEIB lens, are:

1. **Focus.** Demonstrate credibility among manufacturing and logistics clients and with data products. From this focus, our clients get the value of expert consultants who understand their domains and their needs, and TXlers get the opportunity to build and demonstrate their capabilities and expertise.
2. **Generative AI.** Enhance how we work with the support of generative AI tools. By using these tools thoughtfully and expertly, clients receive more effective, consistent, and higher-quality delivery, and TXlers build new skills for the future.
3. **Excellence.** Establish the foundations of a culture of critique in pursuit of delivery excellence. When we embrace a culture of critique, clients see better delivery and have better relationships with teams, and TXlers get the critical feedback they need to fuel their growth and do their best work.
4. **Growth.** Implement reimagined career pathways, including promotion and compensation logic. By improving our career progression models, clients work with consultants who are able to deliver the value they expect, and TXlers get clarity on their growth paths and support for their progress.
5. **Connection.** Gather TXlers as a company, with client teams, and 1:1. When we gather regularly, clients experience a stronger connection and level of understanding with their teams, and TXlers have stronger relationships and deeper trust with their colleagues and clients.

To address overrepresentation across TXI, we set 3-year goals in 2021 to decrease overrepresentation and increase underrepresentation to these percentages at a minimum. Based on the analysis of our 2024 data, we set new 3-year goals to continue our progress. Actual percentages reflect the 2024 Self-ID data.

	<b>Goal for 2024</b>	<b>Actual in 2024</b>	<b>New goal for 2027</b>
<b>Leadership by race</b>	70% white, 30% POC	78% white, 22% POC	60% white, 40% POC
<b>Leadership by gender</b>	50% male, 50% female/nonbinary	44% male, 56% female/nonbinary	50% male, 50% female/nonbinary
<b>Senior, lead, and principal by race</b>	60% white, 40% POC	69% white, 31% POC	60% white, 40% POC
<b>Senior, lead, and principal by gender</b>	50% male, 50% female/nonbinary	46% male, 54% female/nonbinary	50% male, 50% female/nonbinary
<b>Associate and consultant by race</b>	56% white, 43% POC	13% white, 87% POC	No new goal set
<b>Associate and consultant by gender</b>	No goal set	50% male, 50% female/nonbinary	No new goal set
<b>Manager by gender</b>	No goal set	44% male; 56% female/nonbinary	50% male, 50% female/nonbinary
<b>Manager by race</b>	No goal set	75% white, 25% POC	60% white, 40% POC

We have chosen to focus on new goals at the leadership and senior, lead, and principal levels because we believe we have more progress to be made there and that we meet our goals better when they are fewer and more focused.