

## Quinn: Occupy, Silicon Valley style

By Michelle Quinn [mquinn@mercurynews.com](mailto:mquinn@mercurynews.com)

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That's what I've wondered lately as I've watched some of its key players doing things I wouldn't have expected to see as recently as a few months ago.

Companies typically draw the blinds on in-house issues such as hiring, contracting and pay. They argue they are doing their part for society by creating good jobs and paying taxes.

But this is not your father's Silicon Valley.

Chief executives such as Intel's Brian Krzanich give updates on what they are doing to make their workforces more diverse. Some firms like Facebook are expanding pay and benefits for contract workers such as cafeteria staff, and others, including Google and Apple, are bringing contractors such as security guards, in house. Marc Benioff, Salesforce's CEO, is conducting a systematic look at gender and pay.



File: Marc Benioff, chairman and chief executive officer of Salesforce.com Inc., speaks during a Bloomberg Television interview on day two of the World

And then there was a recent open letter from a handful of tech leaders worrying that the wealth created from technological advances isn't being shared.

Dialing the Occupy movement. What's motivating these moves by this generation of tech leaders?

Three factors jump out for me:

- The Bay Area Protest Culture

Tech firms are responding to the larger Bay Area discussion about income inequality, the high cost of living here and how Silicon Valley's prosperity will be shared.

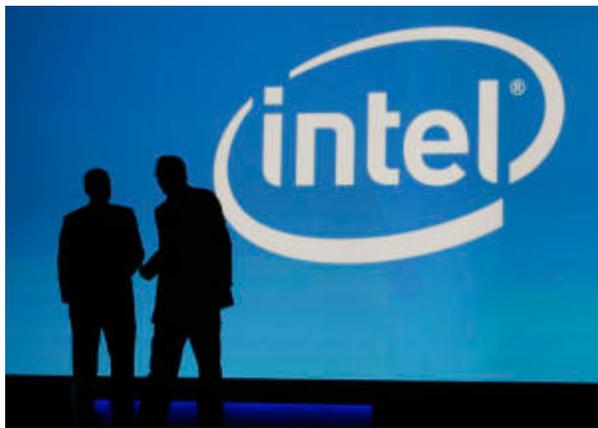
"There's something unique about the Bay Area right now," said Dunstan Allison-Hope, managing director at BSR, a consultancy firm that has worked with the tech industry on other tricky issues such as censorship, privacy and the Internet. "The cost of living issue is causing companies, as well as governments, to ask what needs to happen."

That line of questioning occurred in Silicon Valley during the [dot.com](http://www.dot.com) boom of the late 1990s. But tech now has a bigger footprint in the regional economy, with workers and companies spread throughout.

Labor and housing activists are keeping the economic issues front and center, holding demonstrations and forcing companies to face the stark contrasts of the haves and have-nots.

- Enlightened Self-interest

Being a leader on these larger issues is good for appearances, and good for society. One bleeds into the other.



*FILE - In this Jan. 7, 2010, file photo, people are silhouetted in front of the Intel sign at the International Consumer Electronics Show (CES) in Las*

Allison-Hope said companies are never motivated by just one thing. Instead, they have a grab bag of goals when it comes to social policies.

"I'd cite a sense of 'doing the right thing,' the competition for employee talent, the knowledge that meeting the needs of diverse users and customers requires diverse employees," he said, adding also "the recognition that diversity is both more resilient and more creative."

Tech has been leading on the diversity discussion, and that only makes sense given how demographics are trending.

"By 2040, we will be a majority minority society," said Kriss Deiglmeier, chief executive officer at the Tides Foundation, a nonprofit that gives to progressive causes. "It's the workforce of the future. If you are a company, you either figure out how to do it or let it happen to you. It makes me hopeful when companies don't wait for government to make the change, but they step up and do the actions themselves."

When it comes to economic issues, some companies such as Facebook, which recently announced many of its subcontractors would make a minimum of \$15 per hour, may be realizing that doing good for those workers is good for business, said Derecka Mehrens, the chief executive of Working Partnerships.

"It is an acknowledgment that the industry has responsibilities for its whole supply chain, not just coders and engineers," she said. "More and more companies are going to look at setting a higher floor for their subcontractors. Income inequality is something the industry is starting to think and act on, and also because it's good for business."

- Changing Expectations for a Company

Tech firms are likely responding to changing expectations for corporations, something that began during the last recession, said Brad Hecht, chief research officer at the Reputation Institute. The tech industry is beginning to understand that its customers are looking at corporate attributes, not just how its products and services compare with those of the competition.

Or as Hecht puts it, "What is the positive impact of you being in existence?"

"A company that is perceived as ethical and transparent, supports good causes and is an appealing place to work that treats its employees well will be disproportionately and positively rewarded by its stakeholders," he said.

I don't believe Silicon Valley companies will turn into social organizations trying to address economic justice issues. But it's good to see the firms, themselves "a powerful innovation," as the writers of the open letter put it, take steps toward what they call "inclusive prosperity."

Contact Michelle Quinn at 510-394-4196 and [mquinn@mercurynews.com](mailto:mquinn@mercurynews.com). Follow her at [Twitter.com/michellequinn](https://twitter.com/michellequinn).