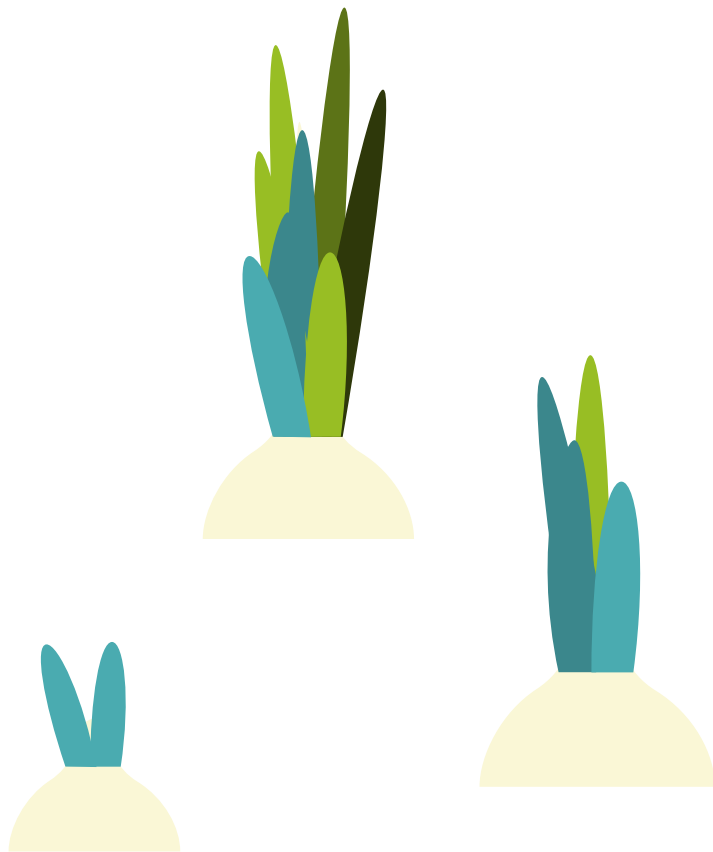




The Engineering Leader's Guide to Measuring ROI

How to Measure, Grow, and Optimize Your Engineering Department's Impact





While business leaders often use return on investment (ROI) as a benchmark for deciding how their teams will focus their time and energy, the concept of ROI is not commonly applied to engineering teams.

Why? Because calculating ROI for engineering teams has been traditionally viewed as difficult to measure.

This puts technical leaders in a tough position. Measuring impact through ROI can be highly effective to provide leadership with a clearer way to understand and demonstrate how the work of the engineering team directly impacts the business. Too often, leaders and executives find themselves talking only about the costs of the organization, and not the quantifiable benefits from their investments. **But without highlighting the benefits seen from those costs, how can an organization be expected to make sound business decisions for the development of the engineering and product department?**

[Jellyfish](#) and [Andela](#) have partnered to equip engineering leaders with a guide on how to measure engineering ROI, the benefits that can be seen from measuring ROI across various areas, and the creative applications of ROI within engineering organizations.



What's Inside

Chapter 1

Planting the Seeds of ROI

Chapter 2

Measuring Impact and Growth with Business Value Proxies

Chapter 3

How To Measure Investment Costs Through Allocation

Chapter 4

Applying ROI to Measure the Impact of Engineering Management Decisions

Conclusion

Choosing the Right Proxies and Costs for Your Organization

4

9

17

22

30



CHAPTER 1

Planting the Seeds of Growth

Adapting ROI for Engineering



Let's first break down the standard definition of ROI and then consider some ways this ROI definition can be adapted for engineering.

The standard definition of ROI is as follows:

BEFORE

$$\text{ROI} = \frac{\text{Final Value of Investment} - \text{Initial Value of Investment}}{\text{Cost of Investment}} \times 100\%$$

Traditional ROI is calculated by subtracting the initial value from the current value of an investment, and then dividing by the total cost of that investment. All parts of the equation are measured in currency.

This is a simple enough calculation, but it requires some adaptation for technical teams. Let's consider why.

Often, the engineering team's work sits far enough away from what business leaders consider value measurements that it becomes nearly impossible to trace the impact of a unit of work. Instead, we can use proxies to measure the incremental value, initial investment costs, or both to make this calculation applicable to engineering. To do so, the initial and current values represented within the numerator of the calculation can be replaced with a more appropriate outcome difference that you wish to quantify.



What are "Proxies"?

In this context, proxies are referring to the necessary replacements for measurements of value used in the ROI calculation due to a lack of direct value metrics for engineering efforts.



Due to these required adaptations for engineering, we've revised the equation slightly to note how engineering should think of the calculation.

AFTER

$$\text{ROI} = \frac{\text{Final Value of Value Proxy} - \text{Initial Value of Value Proxy}}{\text{Cost}} \times 100\%$$

In this revised equation, the numerator becomes a proxy for the value metric that is more easily attributable to your development team's work. Engineering teams can think of the cost in the denominator as the "levers" that a leader can pull to achieve the desired outcome. For engineering, these "levers" are typically the amount of engineering work assigned to that initiative and/or features.

Value Proxy:

Represents what your engineering team wants to directly impact, influence, or change.



When adapting these parts of the ROI calculation for engineering, leaders commonly face three challenges.

CHALLENGE 1

Finding the Right Value Proxy

Leaders must find the right proxies that capture the results of their engineering teams efforts. Value proxies are not often relevant to both engineering AND the company's strategic priorities.

CHALLENGE 2

Organizing Engineering Teams to Measure Value

Many times, engineering teams are organized orthogonally to their value proxies. Feature work may span across teams and a large volume of individuals and this makes attributing the costs difficult and/or impossible by the way leaders currently organize.

CHALLENGE 3

Measuring Costs Accurately and Efficiently

Current engineering operations might not be ready to properly measure engineering resources assigned to initiatives as required for investment costs.



Why a Simple ROI Calculation Doesn't Work for Engineering

When considering value proxies, leaders usually first consider a simple measure of value such as revenue. Simple units of measure can be used, but they have their limitations when evaluating the performance of engineering's efforts. It's important to understand the value of this type of calculation, so that it is not misused.

When leaders choose obvious or simple ROI proxies, attribution challenges are augmented. **Let's consider revenue as our example of a simple ROI proxy:**

Sales leadership can use revenue to directly measure the impact of their work, because their department's primary objective is revenue growth. Unlike sales, engineering is not generally considered directly responsible for the revenue of the company by most businesses. When you factor in long sales cycles, the time between specific feature work and the sale, insufficient systems to track direct attribution, and the numerous variables influencing a value proxy like revenue, it becomes nearly impossible to attribute specific engineering work to this type of metric.

There is value in measuring engineering work against company revenue drivers, but it cannot be used for direct attribution. Mapping engineering to revenue drivers is a way to connect engineering to business priorities, and it has its place in strategic decision making. If your goal is to measure how engineering work is allocated, you may wish to consider measuring **Allocation** through an **Engineering Management Platform**, where engineering leaders can obtain this type of insight.





CHAPTER 2

Measuring Impact and Growth with Business Value Proxies



How to Identify the Right Granular ROI Proxies

To use the ROI calculation to measure the tangible impact of engineering work, leaders need to consider more granular proxies. The ease to which you will be able to identify granular proxies is dependent on a variety of factors but there are common steps that can be applied to most companies.

We've summarized the steps as follows:

1.

Strategy

Identify the strategic priorities of the business

2.

Map Priorities

Map those priorities to specific actions taken by your customers within the software itself or the sales/post-purchase phases. This becomes your value proxy.

3.

Measure

Measure the difference in the actions taken before and over designated periods of time (e.g. before and after software releases).

4.

Identify

Identify costs by accounting for the total the amount of engineering resources assigned to that specific feature/product work

5.

Repeat

Repeat across all strategic business priorities

In this next section, we'll apply these steps to B2C and B2B companies to demonstrate how these work across diverse company strategies.



SECTION 1

Value Proxy Examples for B2C Companies

To help you better understand how to identify ROI proxies across different B2C company scenarios, we've outlined 3 examples.

B2C EXAMPLE 1

Building a Recommendation Algorithm for a Music Streaming Service

Let's begin by applying these steps to an example from the media and entertainment industry: music streaming services. Before music streaming services became the primary delivery service for music, acquiring new customers and platform use/adoption were strategic priorities for the company. At their onset, these streaming services wanted to ensure deeper integration into customer's lives and maximize content binging as much as possible.

In this example, let's assume one of the features on the roadmap is the music recommendation algorithm. This feature needs an update to keep up with recommendation engines in the market that keep customers consuming new content.

The outcome that the organization wants to influence is the amount of music listened to within the platform. In this example, if a user listens regularly on the platform, this will lead to further subscription renewals, deeper integration into user's lives, and higher revenues for the company.

Measuring the difference between the average number of songs listened to per person (during a week, during one session, etc) could help gauge the impact of the work on the algorithm. With these two value proxies, the engineering leader can demonstrate how engineering work is directly tied to desired actions customers take while engaging in the platform. Ultimately, if the roadmap work didn't drive desired consumption of music content, they could then analyze if other engineering work was more impactful to the goal of increased content consumption.



B2C EXAMPLE 2**Driving Ad Revenue for a Music Streaming Service**

Now, let's consider this same company example, but a few years into the future. The revenue streams of music streaming platforms come from user subscriptions, but the company also wants to increase ad revenue over time. This needs to be done without sacrificing the customer experience.

In this example, the priorities have changed so our previously chosen proxies will also need to change. The engineering leader now needs to help build software that finds the right balance between ad revenue, customer experience, and content delivery. As a result you will need to measure several different proxies. One new proxy could be the difference in average session time, before and after ad algorithms have updated. Another could be to measure engineering work against impact to overall ad revenue.

Additionally, one might want to measure customer sentiment before and after algorithm updates. The combination of these proxies help communicate the value of engineering work on the algorithm, as well as aid in making strategic decisions on what to pursue next.

**Company Inception****Strategic Objective**

Drive higher user music consumption

Possible Value Proxies

- > Avg number of songs listened to per person
- > Avg number of unique playlists listened to per person
- > Total time on streaming platform

5 Years After Company Inception**Strategic Objective**

Drive higher advertisement revenue

Possible Value Proxies

- > Avg session time of a user
- > Customer NPs scores



B2C EXAMPLE 3

Driving User Experience for E-Commerce

Let's consider a third example, but in a different industry: online retail. The steps of the ROI process remain the same, therefore we need to clearly understand the business goals. In this example, the company is focused on selling certain product lines through their digital marketplace. The software team works directly on the digital marketplace to enhance the customer experience and move customers through the buyer journey.

In this example, engineering work can be more directly mapped to certain actions or lack of action on the website. What is chosen as a proxy is dependent on the priorities for the retailer, but one that stands out in this example is the number of cart abandonments over time. This metric can be used as an ROI proxy because roadmap priorities directly address this strategic priority. It also helps with strategic prioritization of engineering teams because all work that will not assist with minimizing cart abandonment can be deprioritized as needed.

In all of these examples, **we start with the business priorities**. In the music streaming example, when the business priorities changed, the previous ROI proxies were no longer connected to business strategic priorities. In each example, the value proxies chosen were not shared proxies but actions taken within the software that are direct measurements of achieving business goals. B2C companies benefit from having easily measurable metrics and the ability to decompose product features rather easily.



SECTION 2

Value Proxy Examples for B2B Companies

The steps for identifying ROI value proxies apply to engineering teams at B2B companies, but these companies face additional challenges. The challenges stem from two primary factors: The first is that you will have an overwhelming number of proxies to choose from, with no immediate standout choice. The second is that there are massive delays between the beginning of product feature work, and the desired action of the customer taking place. In this section, we'll examine some proxies B2B companies might want to consider who sell software products and how to avoid these challenges.

B2B EXAMPLE 1

Sales-Related Outcomes

Sales-related outcomes may be suitable value proxy choices for many B2B companies selling software products. The volume of signups or upgrades based on engineering feature updates might be a way to tangibly attribute engineering work to changes in customer behavior and strategic priority.

Other proxies like conversion rates or reduction in customer churn all are substitutes for revenue and could be more specific to pain points your company is trying to solve for. Even metrics further down the sales funnel such as first meetings, demos booked, calls, trials, or site visits are possible depending on if the specific software feature/product is intended to encourage those customer actions.

Sales-Related Proxies: signups, demos, upgrades, upsells, conversion rates, customer churn, meetings, trials, site visits



B2B EXAMPLE 2

User Interactions

For open-source platforms, these types of proxies will not make sense to measure, but there are alternatives.

Businesses where the product is driven by the user (such as open-source or PLG) might wish to measure online documentation views, software downloads, trials, and other activities that users will take instead of the more traditional proxies mentioned.

User Interaction Proxies: documentation views, downloads, trials

B2B EXAMPLE 3

Customer Experience Outcomes

Customer health outcomes should also be strongly considered as proxies for engineering teams at B2B companies.

Engineering has never more directly impacted the customer experience, and ROI proxies should reflect the impact engineering's output has on customer sentiment. Usage proxies are highly encouraged as you can measure for a variety of factors such as the depth, frequency, and diversity of feature utilization. Review ratings and NPS Scores as proxies will also help you gauge impact to sentiment that is difficult to quantify with the aforementioned sales related actions and engagement data.

Customer Experience Proxies: Depth, frequency, diversity of feature utilization; review ratings, nps scores



Value Proxy Examples for B2B Companies

Sales-Related Outcomes

- > Signups
- > Demos
- > Upgrades
- > Upsells
- > Conversion rates
- > Customer churn
- > Meetings
- > Trials

User Interactions

- > Documentation views
- > Downloads
- > Trials

Customer Experience Outcomes

- > Depth
- > Frequency
- > Diversity of feature utilization
- > Review ratings
- > NPS score



Additional Considerations for Choosing Value Proxies

There are several other considerations when selecting value proxies that have not been covered in the previous examples. Engineering leaders should consider internally how their engineering teams are organized prior to assigning proxies. There will be instances where a strategic priority for the business might not directly match with the way the engineering organization is organized. This is most common when an organization prioritizes by product line or feature set, and the engineering team organizes by specific project.

One way to counteract this is to be able to map how engineering work is allocated amongst team members. This becomes critical to effective investment cost proxy calculations, which we will cover in more detail in the cost section.

There will be at least two (and likely more) questions that you will need to be prepared to answer as you begin measuring ROI for engineering:

QUESTION 1: How long will it take for your team's work to vest?

In many cases, there will be mismatches between the return observed and the time at which the cost was incurred. When thinking about proxies for the ROI calculation, it is important to factor in the total sales cycle. Certain development activities might not see a “return on investment” for a whole quarter, 6 months, or over a year for longer B2B sales cycles.

QUESTION 2: Are you certain that the value proxy would not have happened organically (without the feature release or product update)?

This too can be a difficult question to answer. Generally, the longer you use the value proxy chosen, and practice measuring ROI, the more confident your company will be in considering possible confounding factors influencing proxies.





CHAPTER 3

How to Measure Investment Costs Through Allocation



Understanding costs accurately is vital to properly measuring the ROI of your engineering team. While this concept seems straightforward, in practice, many companies find that costs are complicated to measure.

In order to measure costs, engineering leaders must be able to quantify the total work their engineering team has dedicated to a particular initiative or feature. The amount of engineering work dedicated to a strategic priority is measured by a metric called **Allocation**.

By understanding the total engineering time spent on a task, initiative, or feature, and overlaying the variable costs for that time (compensation), leaders can accurately calculate the costs of that particular piece of work. But this is no easy task. Measuring this manually can prove challenging for most organizations and may require full-time resources to it. Organizations that have been able to accurately track allocations manually are diligent about keeping records and tagging the work to the appropriate categories in issue tracking systems such as Jira. Organizations looking to track allocations for the first time manually often face roadblocks and inaccuracies stemming from integrating this tracking into current workflows.

Tracking Allocation is made simple by tools such as Engineering Management Platforms (EMPs). These systems use signals from the tools that software developers use to build a comprehensive view of what engineering teams are working on and when. For many organizations, this is a viable alternative to measuring allocations manually, especially for those that are doing it for the first time.

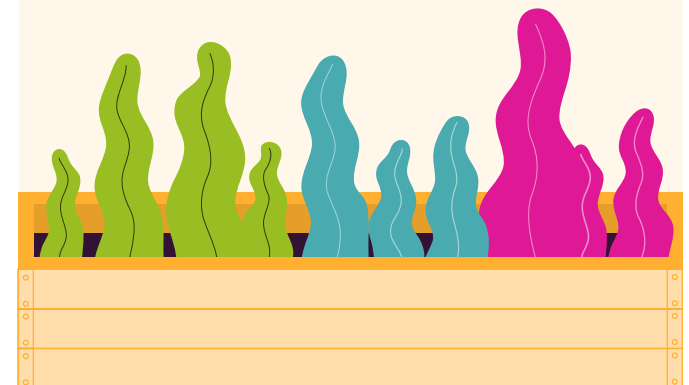
Teams who cannot easily measure allocations will often turn to non-cost metrics such as story points, number of commits, or number of sprints as a way of approximating the amount of work that went into a release. These metrics are essential for planning and serve many purposes within Agile and even DevOps methodologies. They fall short, however, of what is required for an ROI calculation because they fail to translate the value of engineering efforts into terms which are meaningful for the business.

Knowing how to segment your costs could help you as a leader in a variety of applications and use cases.

For example, using the ROI calculation, you can work with the business and demonstrate a need for more resources - which we explain in this next section chapter.

Allocation:

The measurement of the distribution of a software engineering team's work against specific initiatives. Allocations are measured in full-time engineers/employees (FTEs) but require the ability of an engineering team to map time spent on specific work for each employee to the assigned initiatives.



SECTION 1

Segmenting Costs to Make the Case For More Engineering Headcount and Resources

Your finance department might come to you with a different ROI calculation than what we laid out in Chapter 1.

This calculation — most commonly known as Human Capital ROI — usually includes revenue and the terms, CapEx (Capital Expenditures) and OpEx (Operating Expenses). As the head of your engineering department, you don't need to be able to calculate this, but if you can organize the costs in the ROI calculation into CapEx and OpEx, you can actually make a business case for hiring additional engineering resources or headcount. In order to do this you will need to understand what these terms mean, how your team's work can be represented as CapEx or OpEx, and most importantly, how you can use this to your advantage.

How to Determine if a Cost is CapEx or OpEx

Hiring engineers for your team is not a typical employee cost. In many cases, engineering work can be represented as **business investments** because you're paying your engineers to build your product or services for the long-term. In these cases, your finance team will reflect this work as Capital Expenditures (CapEx). In other cases, engineering work is considered an operating expense (OpEx) when its core function is to keep the business running.

Because of this, the costs of engineering work can actually be split into either CapEx or OpEx depending on the type of work being completed by your team. For example, coding hours for new features or QA work can be represented as CapEx but might only represent 50% of your team's time overall. Work like internal meetings, training new hires, or interviewing candidates might make up a portion of the remaining work and would be represented as OpEx. At a high-level, the difference between the two is internal vs external applications.

Having this background knowledge regarding how costs are categorized empowers many savvy engineering leaders to work with finance to allow for more hiring possibilities. All that is needed is a way to track Allocations (see previous section), so that you're able to work with finance to maximize the ratio of CapEx to OpEx costs.

For your context, a simplified equation of how finance calculates Human Capital ROI.

As an engineering leader, you can use this Human ROI Calculation to make the case for higher headcount.

$$\text{HC ROI} = (\text{Revenue} - \text{OpEx}) / \text{CapEx}$$

Revenue: Adjusted after removing the CapEx, depreciation, exchange fluctuations, and more. (provided by Finance)

Operating Expenses (OpEx): Day-to-day costs to keep the business running (e.g. employee salaries, rent, utilities, training, interviews, customer support work, escalation work, etc.).

Capital Expenditures (CapEx): Long-term costs that are investments in future products or benefits (e.g. coding hours, testing, property, SaaS licenses, equipment, IT systems, etc.).



How to Leverage CapEx and OpEx with Finance

Once you've figured out the difference between CapEx and OpEx, how do you work with your finance department to ensure you're maximizing your resources in order to scale your team and development effectively?

Rest assured: finance will help you figure out revenue, depreciation, and fluctuation, as well as how you can reallocate funds from CapEx to OpEx to increase your HC ROI. Optimizing the ratio with your accounting department can provide you with more options on who to hire and when -- in the greater context of your organization's plans or goals.

If you haven't already discussed with the finance department about your costs before, avoid getting in the weeds (there's a lot of nuances to every business). Think of this as an exchange of information: if you can provide a way to share Allocation with your finance department that is allotted more efficiently to OpEx and CapEx, they'll be happy because they can reduce costs overall for the business. The return that you as an engineering leader is getting from this exchange is understanding the future possibilities for your engineering department and how you can more effectively scale, hire, and retain your employees.

Many engineering leaders optimize their Human Capital ROI by leveraging remote talent providers like [Andela](#) who handle all your internal hiring processes (OpEx) including recruiting, interviewing, assessments, training, and onboarding. They also remove any overhead costs (CapEx) by covering IT, equipment, legal fees, local vendors, and more. Using talent partners can help you get the best bang for your buck because they tend to provide high-quality talent quickly and cost-effectively.





CHAPTER 4

Applying ROI to Measure the Impact of Engineering Management Decisions



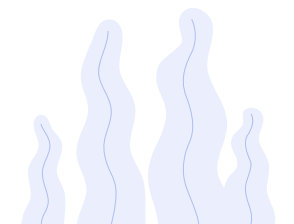
The ROI calculation has applications beyond just aligning to business objectives.

Engineering leaders can use ROI to continuously evaluate the efficiency, productivity, timeliness, quality, and wellness of their teams. To do this, leaders simply need to use the software engineering metric they wish to impact in the numerator of the calculation. The denominator continues to represent the costs, with the option to drill down to specific groups within your team.

With this application, leaders can use data to inform their decision-making in a number of areas. Applying software engineering metrics to the ROI calculation, you can answer important questions for the organization such as: what was the improvement in frequency of release after investing in moving to continuous delivery? How much faster do we take new features to market after spending the time and money to improve our tooling?

You can also think of team wellness goals in the lens of ROI proxies. The retention rates of engineers is an especially beneficial proxy for organizations, especially as new levels of middle management are introduced. Leaders will also benefit from operational metrics related to new hires, such as the ramp time of new hires, the number of job applications. If you have the ability to measure employee satisfaction — based on employee NPS or other scores — applying the ROI calculation to these metrics helps ensure stability in your engineering organization.

There are a ton of different creative applications of this calculation — we explore a few in the following section.



SECTION 1

Creative Applications of Engineering ROI

One of the benefits of measuring ROI is that engineering teams have a way of evaluating the return on a variety of different actions they take.

Once you have the ability to track your engineering team's work, you are able to evaluate the return on your investments across various technologies, hiring practices, and ways of working by segmenting the denominator of this calculation creatively.

Let's explore this with a few examples.

EXAMPLE 1**Using ROI For Hiring Decisions**

There are **hidden factors in hiring strategies** that can compound as you scale, so it's important to include them when using ROI to evaluate hiring decisions. This is especially important for teams that are considering altering their hiring and work policies following COVID-19. And most engineering teams are unique in that they're able to work well as remote, distributed teams.

ROI can be a helpful tool to help you think through all considerations regarding where your teams will work (physically or virtually), your strategies regarding outsourced engineering talent, and how to maximize your total human capital.

For these hiring models below, we're going to assume you already included the cost of your full-time engineering staff, in order to focus on the more "hidden" factors. The hidden benefits should be considered within the numerator of the ROI calculation, while the hidden costs should be added to the other costs accounted for, such as your full-time engineering employees.

**Types of Hiring Models**

Fully Co-Located: Full-time engineers located around physical or satellite offices.

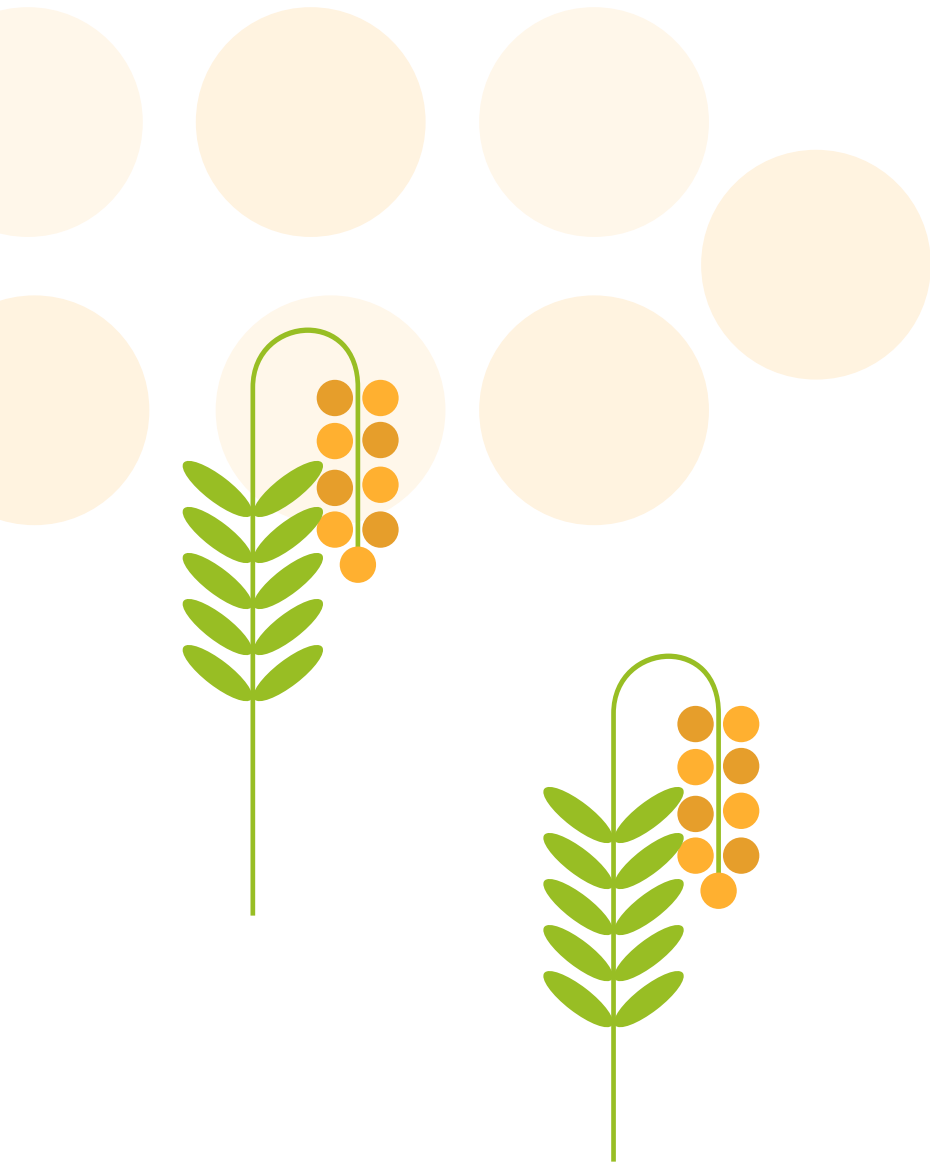
Hybrid: Full-time engineers located around physical offices, as well as a mix of remote full-time and part-time engineers, freelancers, contractors, and staff augmentation services distributed in different places around the world.

Fully Distributed: You have a fully remote, distributed engineering team with members from around the world. You have a mix of different hiring models because you are able to hire from everywhere.



	BENEFITS	HIDDEN COSTS	CONSIDERATIONS
Fully Co-Located	Collaboration, learning, engagement, and onboarding	Rent, utilities, full-time staff, legal team, local recruiting team, equipment, benefits, and more supporting the physical location(s).	Collaboration can be difficult to measure but it is highly valued in startup or SMB companies. While not normally needed as a part of the ROI calculation, overhead costs are a significant variable into an ROI calculation when evaluating work location policy.
Hybrid	Allows for in-person collaboration, as needed, with some reduced operating expenses from leveraging different types of engineers and staff augmentation services. Great for companies who are scaling quickly and want a longer development cycle, as well as more diverse product perspectives.	Having physical offices keeps your day-to-day running expenses (hello OpEx!) high with rent, utilities, full-time staff, and more. Mixing up your team with short-term or long-term freelancers can help offset some of the physical location costs, but can provide some nuanced legal and compliance challenges depending on location.	If considering moving your team to hybrid work, you may wish to benchmark productivity, efficiency, and other metric types across your team, but it's important to also factor in anecdotal feedback from team members. This helps understand collaboration, and other concepts less measurable for your organization as you make strategic hiring decisions.
Fully Distributed	Highest-level of hiring flexibility. Team can easily scale as needed from leveraging engineering staff augmentation services with a 24-hour development cycle. Minimal to no overhead operating expenses and you're building a truly global team that can provide regional expertise.	Without a talent partner or local vendor relationships, costs and challenges can depend on the country (or even state). Additionally, equipment and payment issues can arise.	Organizations will want to invest in ways to maintain visibility across distributed teams and developing benchmarks for their various teams over time. This can help manage team burnout, productivity, and know when to scale up or down teams accordingly. These platforms can also help collect data for other ROI calculations used in engineering management decision making.





It's important to note that there can be other hidden costs for hiring remote talent and for opening a satellite office in a different geo. For this reason, many organizations turn to full-service talent partners, like [Andela](#), to maximize your engineering team's output, while reducing certain costs.

These hidden costs that full-service talent partners can help mitigate for include:

- > Legal help for local labor laws, compensation options
- > Local vendors for sourcing, vetting, culture alignment, background checks
- > IT / Technology support so engineers have the right tools and technology



EXAMPLE 2

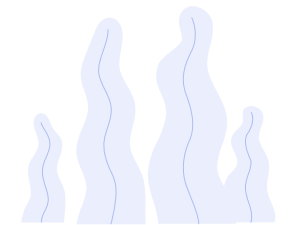
The ROI of Investing in a Diverse Organization

There are [numerous studies and sources](#) that outline just how effective hiring a diverse team is for increasing performance, productivity, innovation, efficiency, shared learning, and team health of an organization. Most US-based organizations need to drastically improve diversity, equity, and inclusion practices, especially in technology and engineering departments.

Diversity, equity, and inclusion is especially important in engineering departments because of retention and innovation factors. Providing space for diverse perspectives and hiring diverse leaders doesn't just make your team happier and more productive, it also can make your product better.

Case Study: How Diverse Perspectives Helped Lantern Build a Better Product

[End-of-life planning software company, Lantern, hired Andela engineers around the world to rebuild their platform quickly.](#) While they were hired to scale up development, they realized another valuable benefit: getting different perspectives on their product outside of the US. This was especially important since the end of life is a universal experience, and not just experienced by Americans.



While it's difficult to calculate the actual ROI of diversity, equity, and inclusion (DEI), there are still a ton of metrics you can track.

Here are the DEI metrics most commonly used:

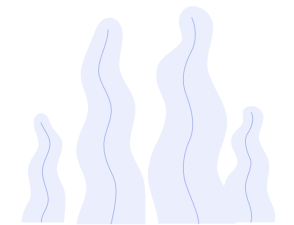
- > Representation in board, leadership, hiring roles
- > Employee Training initiatives and participation rate (training, events, etc.)
- > Amount of Measuring innovations or experimentations afforded in your product
- > Employee happiness scoresurveys (NPS) and engagement rate
- > Cultural audits
- > Success in hiring and recruiting
- > Hiring and recruiting audits
- > Employee and customer retention
- > NPS Scores (Customer & Internal)

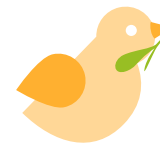
Be wary of demographic-based metrics or objectives

– while well-intentioned, can turn very quickly into weaponizing data and pitting different groups against each other. Use this metric as one part of a whole.

It's important to note that you can't focus on just one metric to drive DEI. DEI can start at hiring, but ends at how an employee feels from the moment they begin or end their career at your organization. Every single part is important to showing the full success of your DEI initiatives.

You may have noticed many larger organizations -- Google, Facebook, Twitter -- are regularly releasing reports that break down the demographics of their employees. While this drives transparency, this can also be a slippery slope for leadership at other companies who are comparing themselves to bigger companies. In other words: it should be less about being up-to-par in numbers with larger tech organizations, but being more about making your own organization a better place for your employees.





CONCLUSION

Choosing the Right Proxies and Costs for Your Organization

Organizations and engineering leaders who adopt and measure ROI are seeing very real benefits today.

ROI can help leaders understand how their resources are driving value for the business and aid in strategic decision making. With the right proxies for ROI, engineering organizations benefit from clear prioritization, increased alignment, and meaningful impact on the business. Effective ROI proxy selection begins with understanding strategic objectives and how those strategic objectives can be mapped to work of engineering.





About Jellyfish

Jellyfish is the pioneer Engineering Management Platform that enables engineering leaders to align engineering work with strategic business objectives. By analyzing engineering signals and contextual business data, Jellyfish provides complete visibility into engineering organizations, the work they do, and how they operate. Companies like SessionM (A Mastercard Company), Medium, Jobvite, and Digital Guardian use Jellyfish to optimize the allocation of engineering resources to focus their teams on what matters most to the business.



About Andela

Andela is the first long-term global talent network that connects companies with vetted, remote engineers in emerging markets. Hundreds of leading companies like Cloudflare, InVision, and ViacomCBS leverage Andela to scale their engineering teams quickly and cost-effectively. A distributed organization spanning four continents, Andela is backed by investors including Generation Investment Management, Chan Zuckerberg Initiative, Spark Capital, and Google Ventures.

