

Women Leaders in Technology

Insights from Global Executive Searches in Technology 2015 – 2019





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Introduction

As International Women's Day 2019 approaches there is a rightly renewed focus on the representation of women in senior roles across the business world. The picture is far from uniform, but as this global study of executive searches undertaken by Odgers Berndtson reveals, significant progress is being made for female leaders in technology.

Recent studies have found that women account for just 9% of Chief Information and Technology Leaders internationally¹, and a mere 5% of all technology leadership roles in the UK².

This is something that, as a leading global executive search firm committed to diversity and inclusion, we are actively working to change. We are, for example, introducing a mentoring initiative to support aspiring female leaders in technology.

Odgers Berndtson is a leading global executive search firm with 62 offices across 29 countries and practices in all key industries and functions. The firm has a large, well established global technology practice that appoints senior executives internationally to commercial roles

at companies in the technology sector. The firm also has a CIO and Technology Officers Practice, which places senior executives into specialist functional roles across all sectors. Both practices have contributed to this study.

This analysis gives a deeper insight into the progress women are making in global technology leadership roles, their earning power, salary differentials and responsibilities.

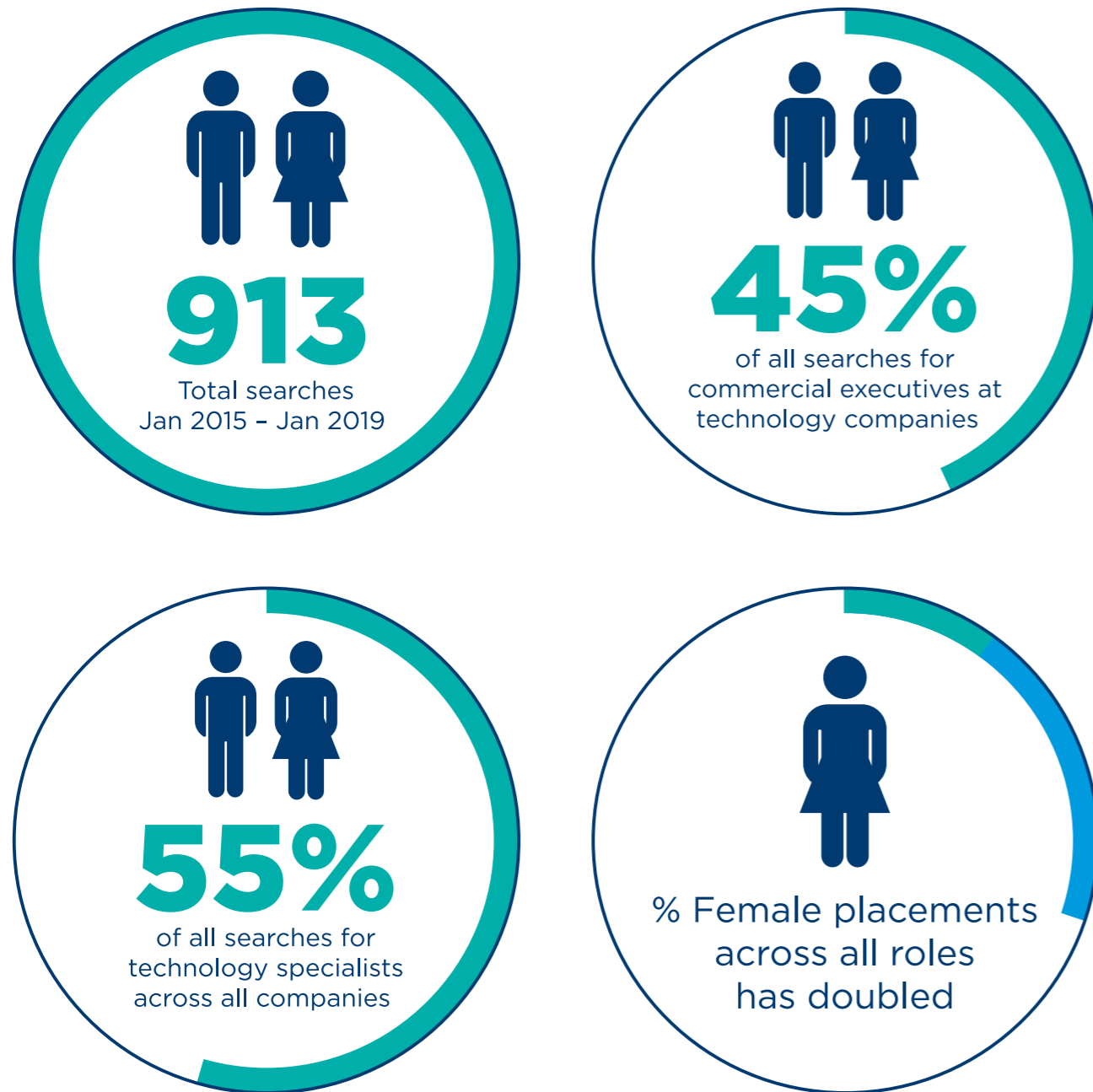
Based on data from close to 1,000 executive searches commissioned between January 2015 and January 2019, across all countries where Odgers Berndtson operates, this analysis is part of a wider Global Technology Leadership Talent Study.

“This analysis gives a deeper insight into the progress women are making in global technology leadership roles, their earning power, salary differentials and responsibilities.”

¹ Harvey Nash/KPMG

² PWC

Overview



Representation

WOMEN IN SENIOR TECHNOLOGY ROLES

The analysis looked at executive searches undertaken for leaders in the technology sector – including Chief Executives, Chief Financial Officers and other commercial and functional leaders, such as Chief Marketing Officer and Human Resources Officer. It also included functional leaders, heading technology across all companies, including Chief Information Officers, Chief Technology Officers and specialists in particular areas like IT Architecture, Cyber Security and Data Analytics.

Overall, we see an increased appetite within companies to appoint more women into senior technology roles but, notably in specialist areas, there is often a shortage of suitably qualified female candidates.

FUNCTIONAL

We have also seen a significant increase in female appointments to specialist technology leadership roles, like Chief Information Officer and Chief Technology officer, across companies in all industry sectors.

REGIONAL

We also noted significant regional differences which may be less representative, but reflect the outcomes of searches in technology by Odgers Berndtson. Female leadership appointments in the technology sector were highest in Africa (66%) over the period, followed by the United States (38%) and India (33%). This compares to the UK, where 17% of all technology leadership placements went to women.

COMMERCIAL

In commercial roles in the technology sector, like Chief Executive, Regional Heads, Chief Financial Officer and Chief Marketing Officer, women's share of all placements made over the period since January 2015 has almost doubled. Whereas in 2015 women accounted for just 11% of commercial leadership placements by the firm, this had risen to 20% by the end of 2018.

In 2015 women accounted for just 9% of the firm's functional leadership placements – almost doubling to 17% by the end of 2018. Overall in the technology function women are less well represented, at around 14% of leadership placements in these roles – reflecting a gender imbalance in the function representative of the market as a whole.

There were also geographic variants in placements of women in specialist technology roles which differed from those in commercial roles. The UK and Europe placed the largest number of women in senior functional roles, at 40% of the total, followed by Canada and the US (29%).

COMPLETED PLACEMENTS OF LEADERS IN TECHNOLOGY COMPANIES

Male/Female Appointments					
	2015	2016	2017	2018	Average
% Female	11%	23%	25%	20%	19%

COMPLETED PLACEMENTS OF FUNCTIONAL TECHNOLOGY LEADERS

Male/Female Appointments					
	2015	2016	2017	2018	Average
% Female	9%	14%	17%	17%	14%

Source: Odgers Berndtson

Earnings

WHAT DO FEMALE LEADERS IN TECHNOLOGY EARN?

The figures reflect salary packages for appointments in over 60 countries across the firm’s international network, ranging from the US and South America to Turkey, Russia and Australia. In many developing markets senior leadership roles have low salary packages by UK standards.

For consistency of comparison, salary packages referred to throughout include base salary and a guaranteed or reasonably expected bonus, but exclude share awards, long term incentive plans, pensions and other benefits.

This compares well with the highest package for a man over the same period, being £2m for the Chief Executive of a technology company based in London.

The top salary packages in technology functional roles over the period went to men based in the UK, at £1.5m and £1m respectively for CTO and CIO roles at international companies. The most highly paid women, also placed in CIO and CTO roles, were outside the UK. The most highly paid woman placed in a specialist technology leadership role over the period received a salary package of £600,000.

“The most highly paid women in CIO and CTO roles were outside the UK.”

TOP EARNERS

The most highly paid commercial technology leadership role for a woman was in 2016, as Chief Financial Officer of a specialist data technology services company, based in the Czech Republic, with a salary package of £1.9m.

SALARIES ACROSS ALL TECHNOLOGY LEADERSHIP ROLES

Across all leadership roles in technology, average salary packages were not significantly different for men and women at £561,000 and £531,000 respectively. Averages at the top and bottom of the salary scales were broadly similar over the period, although in both cases slightly lower for women.

Looking at individual searches and roles, however, there is more significant variation – usually also to the advantage of male leaders, but also showing a number of women in very highly paid top roles.

“At just over £1million, the average top male salary was £55,000 ahead of women for the period, taking in placements across all technology leaders.”

Male/Female Combined					
Salary	2015	2016	2017	2018	Average
Top	£1,000,000	£1,984,252	£1,262,500	£418,673	£1,166,356
Bottom	£93,000	£46,316	£99,000	£42,842	£70,290
Range	£907,000	£1,937,936	£1,163,500	£375,831	£1,096,067
Average	£546,500	£1,015,284	£680,750	£230,758	£618,323

SALARY OVERVIEW

Male					
Salary	2015	2016	2017	2018	Average
Top	£1,000,000	£1,984,252	£1,262,500	£418,673	£1,045,293
Bottom	£93,000	£49,412	£99,000	£65,700	£76,778
Range	£907,000	£1,450,588	£1,163,500	£352,973	£968,515
Average	£546,500	£774,706	£680,750	£242,187	£561,036

Female					
Salary	2015	2016	2017	2018	Average
Top	£990,991	£250,000	£600,000	£386,909	£556,975
Bottom	£94,595	£46,316	£107,955	£42,842	£72,927
Range	£896,396	£203,684	£492,045	£344,067	£484,048
Average	£542,793	£186,722	£353,978	£214,876	£324,592

SALARIES ACROSS TOP TECHNOLOGY SPECIALIST ROLES

For leading technology roles, such as Chief Information Officer and Chief Technology Officer, salary packages compare well with the best paid commercial leaders. However, there was a more significant difference between the best paid men and women appointed to CIO and CTO roles. Over the period 2015-2018 the average top salary for men in functional leadership roles was £866,250 – almost double the average top salary package of £471,528 over period paid to a woman.

Male (CIO/CTO)					
Salary	2015	2016	2017	2018	Average
Top	£450,000	£1,000,000	£1,500,000	£515,000	£866,250
Bottom	£43,411.76	£35,507.36	£42,875.14	£67,176.47	£47,242.68
Range	£406,588.24	£964,492.64	£1,457,124.86	£514,932.82	£835,784.64
Average	£246,705.88	£517,753.68	£771,437.57	£291,088.24	£583,092.44

Female (CIO/CTO)					
Salary	2015	2016	2017	2018	Average
Top	£390,625	£600,000	£440,944	£454,545	£471,528.50
Bottom	£108,108	£90,000	£81,000	£78,000	£89,277
Range	£282,517	£510,000	£359,944	£376,545	£382,251.50
Average	£249,366.50	£345,000	£260,972	£266,272.50	£280,402.75

In the most specialist technology roles, including cyber security, architecture and data analytics, most placements went to men, reflecting significantly lower numbers of women in these areas.

However, those women who were appointed into senior specialist roles earned significantly less. The top earning women in a highly specialist technology role over the period earned £244,000, which

compares to £625,000 for the top earning specialist man. Both appointments, respectively for leaders in IT Architecture and Data Analytics, were for roles based in Australia.

SALARIES ACROSS COMMERCIAL LEADERS IN TECHNOLOGY COMPANIES

Commercial roles in technology companies range from Chief Executives and regional heads of global technology companies, to leaders of start-ups. Also included

in this group are heads of sales, marketing and other functions, ranging from Chief Financial Officer to Chief Marketing Officer and Directors of Human Resources. Largely due to

the seniority of this group, overall salary packages tend to be higher than for leadership roles in the specialist technology function.

TOP COMMERCIAL SALARIES

Total							
Salary	2013	2014	2015	2016	2017	2018	Average
Top	£430,080	£368,465	£452,366	£677,050	£1,262,500	£520,000	£618,410.17
Bottom	£88,431	£51,585	£103,223	£105,000	£120,000	£108,000	£96,039.83
Range	£341,649	£316,880	£349,143	£572,050	£1,142,500	£412,000	£522,370.33
Average	£259,255.50	£210,025	£227,794.50	£391,025	£691,250	£314,000	£357,225

Male							
Salary	2013	2014	2015	2016	2017	2018	Average
Top	£430,080	£368,465	£452,366	£677,050	£1,262,500	£500,000	£615,076.83
Bottom	£88,431	£51,585	£103,223	£105,000	£120,000	£108,000	£96,039.83
Range	£341,649	£316,880	£349,143	£572,050	£1,142,500	£392,000	£519,037
Average	£259,255.50	£210,025	£277,794	£391,025	£691,250	£304,000	£355,558.33

Female							
Salary	2013	2014	2015	2016	2017	2018	Average
Top	£122,885	268,800	£351,199	£620,000	£850,000	£520,000	£455,480.67
Bottom	£122,885	£58,374	£108,625	£138,000	£120,000	£140,000	£114,647.33
Range	£0.00	£210,426	£242,574	£482,000	£730,000	£380,000	£340,833.33
Average	£122,885	£163,587	£229,912	£379,000	£485,000	£330,000	£285,064

“By 2018, the average salaries of male and female commercial leaders placed by the firm had shifted significantly – with women leaders on an average salary of £330,000 compared to men earning an average of £304,000.”

Earnings for male and female commercial leaders showed significant differentials, notably at the very top. The most highly paid man over the period was appointed on a package of £1.2m, as a Chief Executive Officer, whilst the top earning woman, in a commercial role, received a salary package of £850,000, roughly two-thirds that of the most highly paid man.

Average commercial salaries also varied significantly between men and women, at £355,000 and £285,000 respectively over the whole period. However, the gender gap in pay for commercial roles has narrowed significantly over the period of the study – with women overtaking men on average salary for the first time.

In 2013, slightly before the range of the study period, the average salary for women in commercial roles at technology companies was almost exactly half that of their male counterparts, at £122,000 and £259,000 respectively. However, by 2018, the average salaries of male and female commercial leaders placed by the firm had shifted significantly – with women leaders on an average salary of £330,000 compared to men earning an average of £304,000.

This is believed to be the first time salaries for female leaders in the sector have overtaken men and reflects strong demand across technology companies to have more representative leadership teams.

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Conclusion

In the last five years there has been assertive action from technology companies to alter the makeup of their senior leadership team to ensure they are significantly more diverse, especially around senior female appointments.

Commercial roles represent the best opportunity to achieve a diverse hire as there are substantially more female leaders in sales and marketing roles than in technical roles.

Companies that have made this a priority also naturally compensate at the same level as a male counterpart and this has meant a steady upward trajectory in salary levels for top women in commercial roles, as indicated in our study.

Unfortunately the same cannot be said for technical hires, where available candidates for the top roles currently show far less depth of diversity. There is much more work to be done across the specialist technology functions to improve diversity in all its forms.

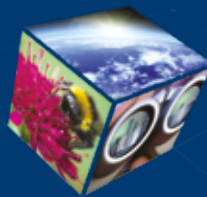
This challenge, for women – but also other under-represented groups – in specialist technology roles has encouraged many companies in the technology sector to place a premium on senior female hires in commercial roles. Appointing women into top commercial positions in technology is currently the best opportunity for many companies to re-balance their leadership teams.

However, technology is under intense scrutiny by governments and regulators concerned over public and societal responsibilities. There is a strong argument that both the technology sector and function are representative of wider society. We expect the progress we have recently seen for women leaders in technology to continue and extend across other under-represented groups.

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63 offices in 30 countries





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