



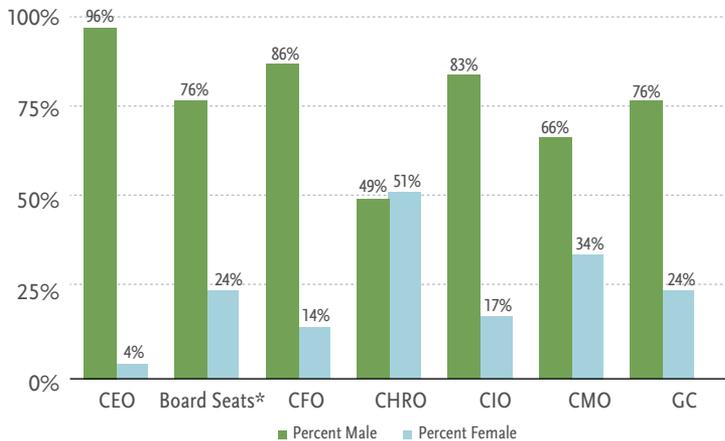
Women in Technology: Closing the Gap

Better team dynamics. Increased innovation. Enhanced performance. While many organizations understand the myriad benefits of having women in leadership, women remain significantly underrepresented at senior levels across industries. Nowhere is this shortage more apparent than technology. The percentage of women in chief information officer roles at Fortune 500 companies has hovered at less than 20% for more than a decade: In 2015, 17% of CIOs were women versus 14% in 2000. Only one-quarter of the computing workforce were women in 2015. As Berkshire Hathaway CEO and Chairman Warren Buffett aptly observed in his 2013 *Fortune* essay about women in the workforce, “We’ve seen what we’ve accomplished when we use 50% of our human capacity. If you visualize what 100% can do, you’ll join me as an unbridled optimist about America’s future.” With 1.1 million computing-related job openings expected in the U.S. by 2024, organizations could face a significant talent shortage — and missed opportunity — if they do not close the gender gap.

WHERE ARE THE WOMEN?

According to the U.S. Census Bureau, women make up 57% of the U.S. labor force and 51% of the U.S. population. While women and men are equally represented in the role of chief human resources officer, there is a dearth of women in all other C-level positions. Women hold just 24% of Fortune 500 board seats, and only 4% of Fortune 500 CEOs are female.

Female representation: Fortune 500 functional roles



Why are women not advancing to leadership roles?

A McKinsey & Company report suggests that absence of role models, lack of sponsors in senior management and exclusion from informal networks are barriers to career growth for women. In technology, the drop-off is pronounced: 56% of women leave their technology careers at the mid-level stage, which is often a critical inflection point in one's career; this is more than twice the quit rate for men. More than half (51%) who leave their current roles abandon their technical training.¹

This gap between the genders begins well before women enter the workforce. According to the National Center for Women & Information Technology (NCWIT), while 57% of bachelor's degree recipients were women in 2014, they represent only 15% of computer science bachelor's degree recipients at major research universities. Interest in majoring in computer science among first-year undergraduate women grew by 21% between 2000 and 2015, but longer-term trends show the percentage of women receiving bachelor's degrees in computer science declined from 37% in 1985 to 17% in 2014. Providing viable career paths will be key in converting this rising interest into more female computer science graduates — and ultimately, more technology leaders.

* Source: BoardEx; Spencer Stuart research based on the analysis of the 2015 Fortune 500

¹ Catherine Ashcraft, Ph.D. and Sarah Bliethe. "Women in IT: The Facts," National Center for Women & Information Technology (updated April 2010). http://www.ncwit.org/sites/default/files/legacy/pdf/NCWIT_TheFacts_rev2010.pdf

Women in Technology by the Numbers

THE COMPUTING WORKFORCE IN 2015



25% were women

- » 3% were African-American women
- » 5% were Asian women
- » 1% were Hispanic women

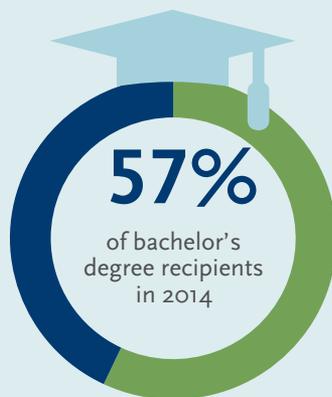


In 2015

17%

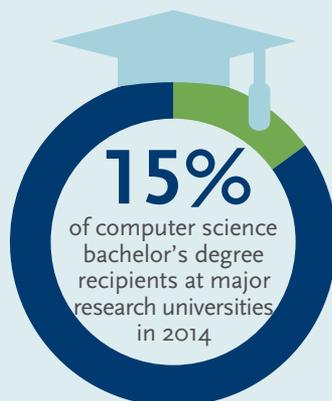
of CIOs were women

WOMEN REPRESENTED:



56%

of women leave their technology careers at the mid-level stage, which is often a critical inflection point in one's career. **This is more than twice the quit rate for men.**



+21%

increase in number of first-year undergraduate women interested in majoring in computer science between 2000 and 2015, **but**

female computer and information sciences bachelor's degree recipients have declined since 1985.



compared with



WHY DOES IT MATTER?

Put simply, companies with diverse leadership are more successful. Gender diversity has been proven to have a tangible impact on numerous elements of company performance.

Improved business results

According to McKinsey, companies in the top quartile for gender diversity are 15% more likely to have financial returns above their respective national industry medians. In an analysis of 500 U.S. companies, NCWIT found that organizations with more diverse teams in terms of race and gender had higher sales revenue, more customers, greater market share and greater profits than their less diverse counterparts.

“Working with and investing in women is one of the most powerful ways to spur sustainable economic growth and development.”

MUHTAR KENT,
CEO OF THE
COCA-COLA COMPANY



Better team dynamics

The presence of women can lead to increased confidence among team members and improved collaboration and cohesion. Women can raise the collective intelligence of a group, according to research by professors Anita Woolley and Thomas Malone. They found the boost is not the result of high individual brainpower within the group, but the quality of the team dynamic. Women consistently score higher than men in emotional intelligence and social sensitivity, which enable them to foster the behaviors and attributes — listening, constructive criticism and open-mindedness — that create healthy team dynamics.



Increased innovation

Women also bring unique experiences and perspectives that can yield better product outcomes and spur innovation. As leading tech adopters in internet usage, social media and healthcare devices — with a projected buying power of \$48 trillion by 2018² — women have become a demographic that technology companies cannot afford to ignore. Bringing more women into research, design and development can lead to products and user experiences tailored for the people who are actually going to buy and use them.



Greater productivity

Women not only excel in “softer” areas such as interpersonal interactions, they drive hard numbers. A study of 272 projects at four companies found that gender diversity on technical work teams was associated with superior adherence to project schedules, lower project costs, higher employee performance ratings and higher employee pay bonuses.³ Gender-balanced teams are the most likely to experiment, be creative, share knowledge and fulfill tasks.⁴

² Catalyst. “Buying Power: Global Women.” New York: Catalyst, May 20, 2015.

³ Turner, L. (2009) “Gender diversity and innovative performance,” Int. J. Innovation and Sustainable Development, Vol. 4, Nos. 2/3, pp.123–134.

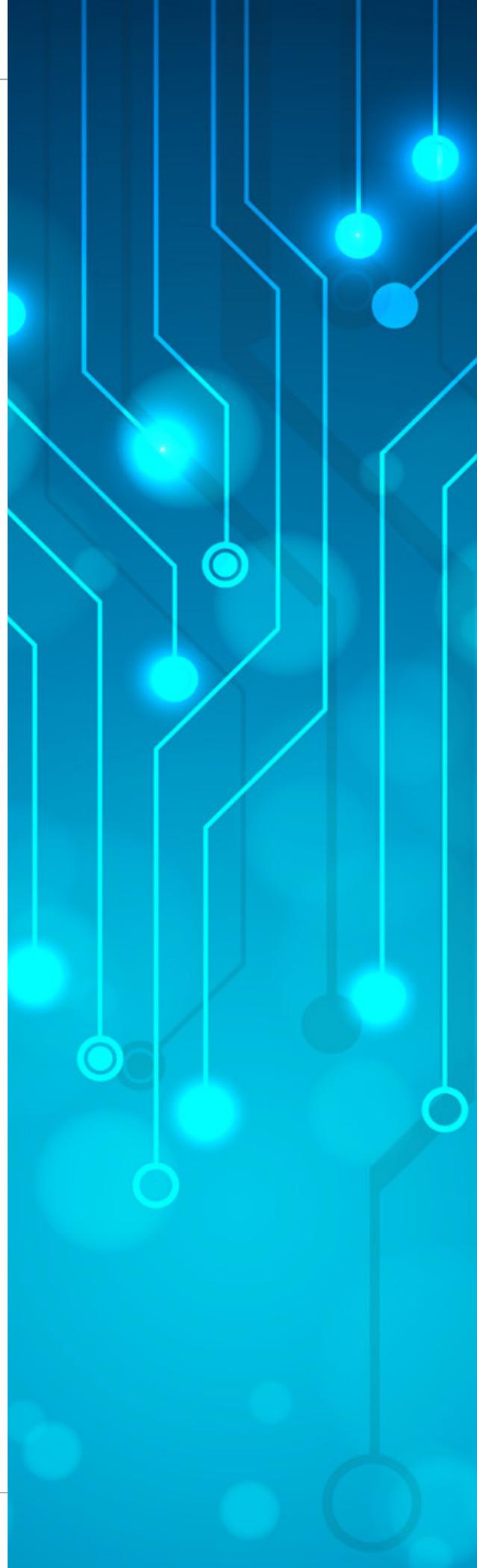
⁴ Lehman Brothers Center for Women in Business. (2008). “Innovative potential: Men and women in teams,” 6.

WHAT CAN ORGANIZATIONS DO?

While more progress needs to be made, some organizations have already taken measures to improve gender diversity in technology and leadership.

- » Cisco Systems launched the Executive Talent Insertion Program for lateral recruiting of senior women and multicultural talent in order to attract a wide slate of experienced candidates to top jobs in engineering, finance, sales and operations.
- » At Google, Women in Engineering and Women@Google are two of the company's most active employee groups. They host summits, offer courses and provide mentorship, creating opportunities for women to connect with one another to support career growth.
- » Intel is collaborating with global and local partners through the She Will Connect program, which aims to close the internet gender gap and connect millions of women to opportunity through technology. Girl Rising Intel, a global social action campaign, is mobilizing investment and action to expand education access for girls.
- » The Coca-Cola Company launched its Global Women's Initiative to accelerate the development of female talent. The program's cornerstone, the Women's Leadership Council, develops strategy, initiatives and metrics around increasing women in leadership roles at Coke.

Beyond strategic initiatives, organizations can take steps to ensure women are interviewed for each technology role opening, establish a blind resume screening process to reduce the potential for unconscious bias, and measure and evaluate female recruitment efforts. In addition, some tech leaders including Etsy, Google and Facebook have begun offering generous paid parental leave, which can be an extremely valuable talent attraction and retention tool.



WHAT CAN WOMEN DO?

There are a number of steps that women can take to position themselves for technology leadership roles and long-term careers in the industry:

- » **Expand your network.** Participate in formal programs and organizations aimed at improving gender diversity, including Women Who Code, Anita Borg Institute and National Center for Women & Information Technology. Joining a nonprofit board can also widen your circle of contacts.
- » **Don't overlook informal support mechanisms.** Building a personal cabinet of advisers can be critical in helping you navigate your career or reengage after an absence from the industry.
- » **Stay aware and open to growth opportunities.** Embrace new opportunities as they arise and be confident in your ability to succeed. Cultivate relationships with recruiters who can present you with new avenues of advancement that may not be on your radar.
- » **Don't be an island.** Women can tend to avoid depending on others. Don't be afraid to ask for help, additional resources or advice. Conversely, look for opportunities to develop and mentor up-and-coming women. Be willing to suggest qualified women you know for leadership roles.
- » **Don't wait until you're ready.** It is an often-quoted statistic: Men apply for a job when they meet 60% of the criteria; women only apply if they meet 100% of them. Pursue roles even if you only feel you only have 70% of the capabilities.

WHAT IS SPENCER STUART DOING?

Spencer Stuart recognizes how diversity of perspectives leads to better decision-making and better business performance. As a firm, we have placed more than 1,600 women on corporate boards around the world. More than 30 percent of our director placements in the U.S. last year were women. We have placed more than 550 diversity candidates on boards around the world and each year, we place more than 700 diversity candidates in senior executive positions. One-third of our placements in the technology, media and telecommunications industry over the last five years have been diverse. In 2015, women represented 21% of our placements in the technology, media and telecommunications industry globally and 16% of our U.S. information officer placements. We are passionate about this issue and dedicated to advancing the conversation about how to best cultivate and attract diverse technology leaders. We welcome your feedback and look forward to partnering with our clients and candidates on continuing to change the face of tech talent.

“In the future, there will be no female leaders. There will just be leaders.”

SHERYL SANDBERG
COO OF FACEBOOK

ABOUT SPENCER STUART

At Spencer Stuart, we know how much leadership matters. We are trusted by organizations around the world to help them make the senior-level leadership decisions that have a lasting impact on their enterprises. Through our executive search, board and leadership advisory services, we help build and enhance high-performing teams for select clients ranging from major multinationals to emerging companies to nonprofit institutions.

Privately held since 1956, we focus on delivering knowledge, insight and results through the collaborative efforts of a team of experts — now spanning 56 offices, 30 countries and more than 50 practice specialties. Boards and leaders consistently turn to Spencer Stuart to help address their evolving leadership needs in areas such as senior-level executive search, board recruitment, board effectiveness, succession planning, in-depth senior management assessment and many other facets of organizational effectiveness.

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