



Human Resources Leadership

New report highlights the lack of women on tech boards

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The lack of women in leadership roles and the tech sector in general is no secret, and a new report from **Vell Executive Search Inc.** confirms that executive boards are no different.

The study, [Women Board Members in Technology Companies: Strategies for Building Diverse High Performing Boards](#), looked at 581 companies in the tech sector and found that a third of them did not have a woman board member at all, and less than 12 per cent had three or more, the minimum number required to correlate with greater company performance.

“Women on boards are good for the bottom line,” it said. “Fortune 500 companies with high percentages of women directors outperform their competitors with low female representation in return on equity, return on sales, and return on invested capital.”

Boards with more women members are better at risk management, it added, “including audit oversight and control, and better at measuring strategy and monitoring its implementation.”

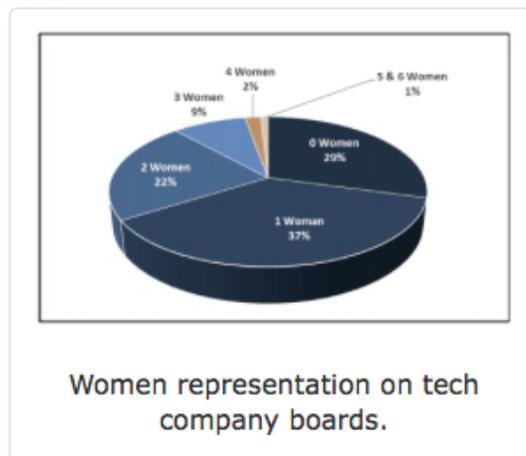
In general, having more women members can be good for the board itself, as it tends to implement more comprehensive and effective governance practices, including board development, the report said.

A common trend highlighted was the fact that smaller corporations, between \$100 million and \$500 million in revenue, generally have fewer women board members versus big companies. Within the companies surveyed for **Vell's** report, nearly all companies with over \$5 billion in revenue had one woman.

“It’s not a glass ceiling – it’s a narrow entryway,” the report pointed

out. “Women lack the opportunity to gain experience in smaller companies, which is required to successfully serve on larger boards.”

Large companies tend to more actively seek diverse candidates, including women, but in order to serve on boards, applicants need prior public company experience, the report noted. It continued to say that to drive greater gender balance on boards, the tech industry needs to look at its entire ecosystem and “open more doors for women to gain experience in smaller companies” so they can move into more powerful roles at larger businesses.



Currently leading the way are HP and HPE, with females representing 38.5 per cent and 35.7 per cent of their boards respectively. Spring, Tech Data and T-Mobile had the smallest percentage of women board members within the top 20 companies looked at in **Vell's** survey.

But it’s not just a matter of being appointed to a board: The study also discovered that 62 per cent of tech companies have no women in board leadership roles.

While the proportion of women on boards and in leadership roles have continued to rise steadily, the report said this development may be moving too slowly. The 2015 Catalyst Census found women occupying 19.9 per cent of the seats on S&P 500 boards, an increase of about 5 per cent over the last decade.

Ultimately, while there has been progress, the tech industry still lacks parity and has a long way to go before achieving that.