



WHERE'S THE DIAL NOW?

Benchmark Report 2017

**#MOVE
THE
DIAL**

A note from Jodi Kovitz, Founder of #movethedial



I would like to live in a world where we don't talk about the gender of any founder, venture capitalist, CEO or board member. Where the best people get the best leadership, opportunities and funding, and we move along. Where everyone has the same opportunities to lead, no matter their gender.

When I look at my daughter, I really hope that is the world that she lives in. I would hate for my daughter to get hired, funded or promoted, wondering whether she is getting that position because she is a woman or because she deserves it. But unless we take proactive, positive steps to move the dial, this will not be the world she, or any other girl, lives in.

It has never been more important for us to move the dial. This is not a choice; it's a social and economic necessity. When we don't have great women leaders, we miss out on opportunities to collaborate, to bring diverse viewpoints to the table, to address the sector's growing talent gap and to create tech that serves the needs of the whole population. In the industries of tomorrow, every company will be a tech company in some way. We need to work now to ensure that we're involving *everyone* in that progress and equipping each person, regardless of gender, race or orientation, to succeed as innovators and leaders in our communities.

It will take all of us to move the dial. How can you help, right now? Go to **www.movethedial.ca** to join the movement and:

- Champion the career of a woman in your network
- Share a #movethedial moment
- Share your video story through #movethedialstories
- Join our community and receive updates on events and programs
- Become a partner or volunteer

Thank you to our very committed group of #movethedial advisors, team members, advocates and partners. Without you, this movement would not be. I hope this report will serve as a catalyst for self-reflection and help us all commit to creating a diverse, inclusive and unstoppable tech community. It will take all of us to close the gender gap, such that it will become a foreign concept for our daughters.

I encourage all of you to shift into a #movethedial mindset. Take small actions to change someone's life, and join us so we can make big changes, together.

Jodi Kovitz,
Founder, #movethedial

About the report



Co-authored by #movethedial, PwC Canada and MaRS, and powered by Ceridian, Canadian Venture Capital & Private Equity Association (CVCA), Business Development Bank of Canada (BDC) and Osler, Hoskin & Harcourt LLP, **Where's the Dial Now?** examines the current state of women in the tech and innovation community in Canada. Its purpose is to generate awareness of the gender disparity that exists in our industry and to challenge education, government, community and business leaders to take action to drive positive change. This report establishes a baseline against which we can measure the collective impact of #movethedial as we continue to increase the participation and advancement of women in our tech community.

Why do we need to #movethedial?

- In an industry fiercely competing for the best talent, we can't afford to leave a significant portion of our workforce on the sidelines. Research now clearly shows that companies with greater gender diversity, particularly those that have women on their executive teams, C-suites and boards, perform better financially because of the variety of skills and approaches their people offer.
- We believe that the products we create must reflect the population they serve. We need diverse voices around the table if we're going to arrive at innovative tech solutions that benefit all Canadians.
- Beyond any business case, this is a moral obligation. Women and girls have the same aptitude for science, engineering, mathematics and technology as men and boys — as grade point averages and university enrollment rates have been proving for years — and they have every right to pursue careers in tech if that's their passion.
- We know that female leaders are just as qualified as their male counterparts, and believe they should be given equal opportunities to advance in their careers.

We recognize that to talk about “women in tech” necessarily entails simplifications and generalizations. We use “men” and “women” to refer to people who self-identify as men, and people who self-identify as women. While #movethedial is primarily focused on advancing gender diversity, every single form of diversity and inclusion in this industry matters: accessibility, gender, LGBTQ, racial equality, etc. The leaders of our technology companies must reflect the diversity of the communities they serve. By moving the dial for women, we aspire to move the dial for all people who are currently a minority in tech.

Key research findings:

- Currently, only 5% of Canadian tech companies have a solo female founder. When companies with male and female co-founders are factored in, the percentage of tech companies with female founders increases only to 13%.
- Only 5% of Canadian tech companies have a solo female CEO — and when companies with male and female co-CEOs are factored in, that statistic increases only to 6%.
- Women comprise 13% of the average tech company's executive team, while 53% of tech companies have no female executives at all.
- On average, only 8% of directors on boards of Canadian tech companies are women. 73% of boards have no women at all.
- Approximately 30% of Canadian venture capital firms have a female partner, and on average, 12% of partners are women.

We're on a mission to change these numbers. But before that can happen, we need to know what we're working with. The main goal of this report is to create a benchmark to use as a launching point as we move forward towards a more diverse and inclusive tech community. By producing this report, we hope to give Canada's tech community a truer sense of where the dial is at now, so that we can reflect on these core issues and design high-impact programs to drive progress.

We have all the resources required to start moving the dial, whether through education, networking, mentorship, career sponsorship or funding. We have the talent, the accelerators, the investors, the networks and the institutions. It's time to commit to moving the dial, together.



"Canada cannot make its aspirational goals in technology and innovation while leaving a valuable resource virtually untapped. If Canada is to succeed, it needs the skills and talents of the women and girls we are sadly leaving behind. This no longer a 'nice to have' — #movethedial is a business and economic imperative."

— Kirstine Stewart,
Chief Strategy Officer,
Diply GoViral

Methodology

#movethedial partnered with PwC Canada and MaRS to conduct research and analysis of 933 tech companies included in:

- The Branham Group's Top 250 Canadian ICT Companies, which are all established, late-stage companies limited to information and communication technology. This list includes both public and private companies.
- The Branham Group's Top 25 Canadian Up and Coming ICT Companies, which are newer businesses that are in an early or startup stage, but whose innovation has been noted industry-wide.
- Venture capital (VC) investing members of the Canadian Venture Capital and Private Equity Association (CVCA), as well as venture capital-backed companies having received disclosed financings from CVCA's VC firms limited to the period between 2013 and the first half of 2017, in sectors including information and communications technology (ICT), life sciences, agribusiness and clean technology sectors.

These technology firms are principally in the ICT sector (Branham and CVCA) plus cleantech, lifesciences and agribusiness sectors (CVCA). The desk research into these companies used public information from their official websites and databases such as Industry Canada and Crunchbase. Research was focused on the representation of women among the executives and CEOs, founders and boards of directors. While the sample is not exhaustive, it is encompassing and comprehensive enough to effectively portray Canada's tech ecosystem today, and the percentages of women participating therein.

With the largest accelerator and incubator portfolio in Canada, MaRS provided analysis of startup ventures and companies receiving first-time funding. The data used does not exclusively come from ICT companies, and represents a wide range of tech-related sectors. Similarly, BDC supplied CVCA lists with its own data on early-stage, venture-backed companies across Canada's tech ecosystem.

When percentages are presented in this report as our own research, they are representative of all data available for that particular metric. Not all 933 companies have publicized data on the points we set out to analyze: 878 companies had data available on their CEOs; 550 had data available on their founders; 892 had data available on their executive teams; and 671 had data available on their boards of directors.

Every tech business is becoming a tech business. It is our intention in future years to expand our research to women across the tech and innovation ecosystem more broadly, including companies not historically considered tech companies with tech and digital teams.



“The gender gap stands between Canada as a global innovation leader or just another middling performer. We simply can't bring the required talent into our growth firms fast enough, or build businesses that truly matter to people and our planet, with women on the sidelines. We need a serious reset — from the way women are engaged, treated, valued, funded and supported — at all levels, and across the full innovation life cycle. This reset is urgently needed, because progress has been stagnant, or slipping, in recent years. Without this reset, our innovation ecosystem will remain undifferentiated and subscale, and our economy and our communities will suffer. This, in short, is both Canada's challenge and our opportunity.”

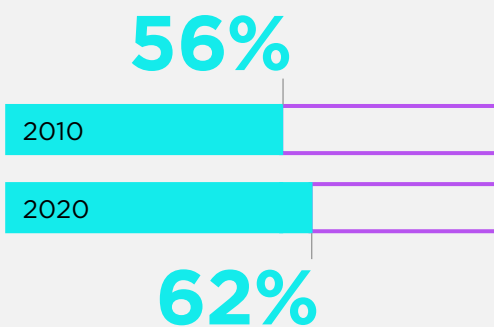
— Ilse Treurnicht, CEO, MaRS

Women graduating from STEM

2

FEMALE UNIVERSITY GRADUATES IN CANADA

Women made up **56%** of Canadian university graduates in 2010, and are projected to make up **62%** in 2020



Female graduates earn only

29.6%

of degrees in STEM faculties and disciplines

and only



26.9%

of employees in STEM-intensive occupations are women.

“I’d like to see the future of technology created by a diverse set of people — that means getting more girls inspired by the possibilities of technology, more young women studying STEM and computer science and more women making an impact in the technology field. Working as a community, we can move the dial to increase the participation and impact of the amazing female talent we have in our country.”

— Sabrina Geremia, Country Director, Google Canada

At the root of the issue, it’s important to note that there are fewer women graduating with STEM degrees compared to men.¹ As a result, fewer women are in the running to join the tech workforce in the first place, regardless of the opportunities that may be available to them.

Women made up 56% of Canadian university graduates in 2010, and are projected to make up 62% in 2020,² but they are still underrepresented in STEM. A 2016 report from Tech Toronto states that female graduates earn only 29.6% of degrees in STEM faculties and disciplines, and only 26.9% of employees in STEM-intensive occupations are women.³

¹ Catalyst (2016). *Women in science, technology, engineering, and mathematics (STEM): Quick take*. Retrieved from <http://www.catalyst.org/knowledge/women-science-technology-engineering-and-mathematics-stem>

² Annis, B. & Nesbitt, R. (2017). *Results at the Top: Using gender intelligence to create breakthrough growth*. John Wiley & Sons, Inc., Hoboken, New Jersey, 54.

³ Tech Toronto (2016). *How technology is changing Toronto employment: 400,000 jobs and growing*, 27. Retrieved from https://techtoronto.org/Report2016/images/TechTO_Report2016.pdf

The shortage of girls going into tech isn't just a Canadian concern; it's a persistent challenge across all countries in the Organisation for Economic Co-operation and Development (OECD). The organization's 2015 report finds that on average, less than one in 20 girls consider a STEM-related career, compared to one in five boys.⁴ Grades are not the issue here; girls perform just as well as boys in their school subjects. Instead, implicit and explicit gender biases play a large role, partly perpetuated by the social expectations of parents, teachers and employers.⁵

In the United States, 66% of girls ages six to 12 are interested and enrolled in computing programs, but this shrinks significantly to 32% in high school, between ages 13–17. By college, only 4% of female freshmen are studying computer science, earning approximately 18% of bachelor's degrees awarded in the field.⁶

Likewise, in the United Kingdom, enrollment in STEM subjects shrinks at every level of education: 64% of young women enroll in STEM subjects pre-university, and 30% continue to study a STEM subject in university, yet only 3% consider a career in tech as their first choice, compared with 15% of men. Of female students surveyed by PwC UK in 2017, more than a quarter cited the male-dominated culture of the tech industry as a disincentive for joining it.⁷

In spite of the gender gaps, there are many organizations helping girls get interested in tech. Ladies Learning Code, along with its offshoots, Girls Learning Code and Kids Learning Code, holds tech workshops all across Canada. Whitney Rockley, Co-Founder and Managing Partner at McRock Capital, helps sponsor Ladies Learning Code's national initiative to educate teachers about programming. "The program provides girls with a really fun and safe space to explore tech, to be curious and to not be judged," says Rockley.

"It's also about educating young women and girls on various jobs they could have in tech, and talking to them about the investment side of tech," explains Rockley, who is also the Chair of the Canadian Venture Capital and Private Equity Association. "They won't even know these professions exist unless there is someone in their life that models them or if we get out into the school and university system and talk about why our careers are so rewarding."



"Technology should be built for everyone, by everyone. I want to move the dial because it's time to stop talking and start taking action. If Canada wants to compete and win on the world stage we need to challenge ourselves to do better across all aspects, including STEM education, pay equity, women in senior roles and funding for female entrepreneurs."

— Aliza Lakhani, Director of Business Development & International Projects, The DMZ

⁴ Catalyst (2015). *The ABC of gender equality in education: aptitude, behaviour, and confidence*. Retrieved from <http://www.oecd.org/education/early-gender-gaps-drive-career-choices-and-employment-opportunities.htm>

⁵ Ibid.

⁶ Girls Who Code (2017). About us. Retrieved from <https://girlswhocode.com/about-us/>

⁷ PwC UK (2015–2017). Women in tech: Time to close the gender gap, key findings. Retrieved from <https://www.pwc.co.uk/who-we-are/women-in-technology/time-to-close-the-gender-gap.html>

All of this makes a big difference. By building networks of support, providing insight and guidance, and showing that success is possible, more women and girls will become interested in tech-related degrees. And it's not enough just to educate young women about STEM. We also need to talk to them about the exciting possibilities in entrepreneurship and investment of tech, and show them strong role models.

Girls also need to know that learning computer science will help with all their aspirations — not just in tech. “No matter what you're passionate about in your youth — whether you want to be a doctor, or a Broadway producer, or an artist — your dream job will have something to do with computer science,” explains Sabrina Geremia, Country Director of Google Canada. “Within 20 years, almost every business will have a huge tech component, and every business will be a tech business, whether you're a bank or Google, a startup or in the education space. So I think everyone needs to see a future where that's part of what they do.”



“Diversity, inclusiveness and kindness are critical at Intelx for both obvious and less obvious reasons. The obvious reasons are that our customer base is global and we employ people of every background, nationality, race, religion and demographic. Delivering solutions for this audience requires multifaceted thinking and a varied understanding of human interactions. But more importantly, we believe diversity results from the kind of thinking that enables Intelx to achieve goals many would assume are impossible. At Intelx, we value the concept that ideas win. To accomplish our goals, we must value ideas on their merit and not on their source; we must pursue the correct solution rather than the easy solution; and we must value and invest our energy into thought and not pre-conceived biases. This mindset is core to our success. To us, diversity is both a foundation as well as a byproduct of this way of thinking. It enables us to dream of and execute on goals no one else is capable of, by leveraging the natural selection of thought.”

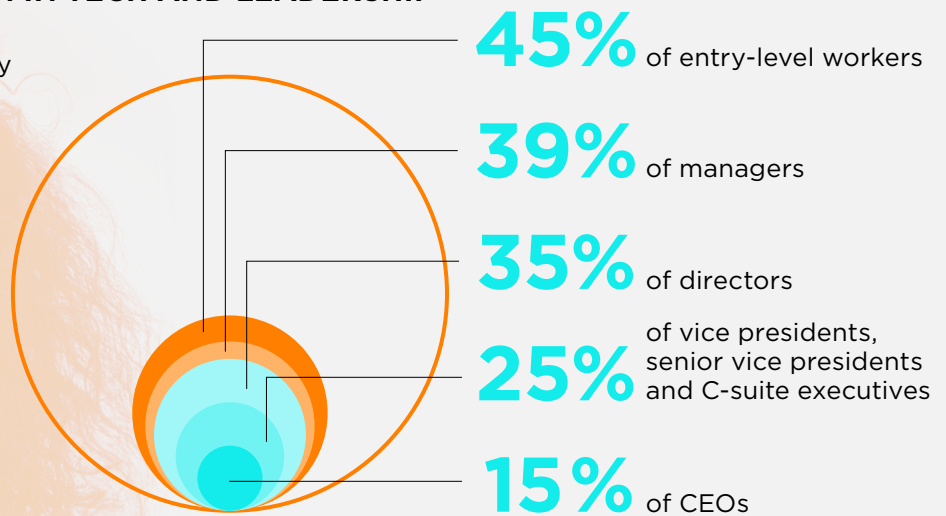
— Mark Jaine, CEO, Intelx

Women in the tech sector

3

REPRESENTATION OF WOMEN IN TECH AND LEADERSHIP

In its June 2017 report, the McKinsey Global Institute demonstrated the extent to which the numbers of women dwindle at every level in corporate Canada:



“At the end of the day, we’re all equal. We all deserve similar opportunities, and it’s a matter of getting to a place where we have the diversity of skills, diversity of culture and diversity of gender at the table. This will allow us to make good decisions to grow our business, grow our economy and grow ourselves. That’s the bottom line.”

— Michelle Scarborough, Managing Director,
Strategic Investments and Women in Tech, BDC

It’s vital that more women join the tech industry — and it’s vital that they keep their jobs. But sometimes, women choose to take their talent elsewhere. Attrition of female employees is a persistent problem in STEM-related industries, and it happens for several reasons: female employees may feel like they don’t fit in with the male-dominated work environment; sometimes it seems that sponsorships or promotions are too few and far between; or societal expectations — like staying home to raise the kids — derail their careers.⁸

⁸ Catalyst (2016). *Women in science, technology, engineering, and mathematics (STEM): Quick take*. Retrieved from <http://www.catalyst.org/knowledge/women-science-technology-engineering-and-mathematics-stem>

According to a 2016 Catalyst report, 53% of women who begin their careers in the tech business leave for other industries (compared to 31% of men) and over a third of women who earn engineering degrees never become engineers.⁹ On average, women tend to leave tech-intensive industries after 10 years.¹⁰

As a result, there are many missed opportunities. “Mid-level female professionals have to stick it out — they can’t quit,” says Whitney Rockley. “Whether it’s venture capital or tech, it’s a very high-testosterone, adrenaline-rushed, Type A profession that we’ve chosen, and it’s really hard at times, but you can’t give in. You absolutely can’t quit. Staying the course is really important, and it can be really rewarding.”

The challenge is, women’s under-representation becomes more pronounced higher up the corporate ladder. “If you review data over the last 25 years, it is not the pipeline that isn’t rich with women, it is the top of the house,” states Colleen Moorehead, Chief Client Officer at Osler. “Companies need more expansive recruitment and retention techniques — to not only recruit the diversity that you want at your board and management levels, but to keep them by allowing them to advance into the roles they are qualified for.”

In its June 2017 report, the McKinsey Global Institute demonstrated the extent to which the numbers of women dwindle at every level in corporate Canada: female employees comprise 45% of entry-level workers, 39% of managers, 35% of directors, 25% of vice presidents, senior vice presidents and C-suite executives, and only 15% of CEOs.¹¹ The fact that women hold just 23% of STEM occupations further puts these numbers into perspective.¹² Moreover, some of the indicators where gender gaps are most significant include managerial positions, STEM graduates, STEM workers and small business owners.¹³

The wage gap is also a continuing problem. According to Statistics Canada, women were making 87 cents for every dollar earned by their male counterparts in 2015.¹⁴ This is an increase from 2013 and 2014, when the OECD reported the gender wage gap in Canada at 19% — in other words, women were making 81 cents for every dollar earned by men — and ranked it 25th out of 33 countries.¹⁵ In a 2016 study, PwC Canada reported that pay equity would boost the Canadian economy by increasing women’s earnings an estimated C\$92-billion.¹⁶

Thankfully, business leaders are committed to making this change — and many of these leaders are men as well as women. “As a CEO of a tech company, probably the most important thing is just creating a space where everyone is safe, where there’s a place for everyone in the organization,” says Ben Zifkin, Founder and CEO of Hubba, a rapidly-growing Canadian software company that helps connect brands with retailers. “That’s the number one responsibility of a CEO. No matter what kind of programs you start, or what kind of stories you tell, that has to be the overarching umbrella of your business.”

Formal programs are an important step in supporting women in the tech workforce, such as internal mentorship or skill development programs. Companies should fund internal initiatives or promote community organizations that nurture the talent they’ll one day depend on.

“Quotas only go so far, and in and of themselves are not the solution,” says Chris Dulny, National Technology Sector Leader at PwC Canada. “You have to foster the development of your organization’s culture and put programs in place to bring diverse talent forward.”



“If you review data over the last 25 years, it is not the pipeline that isn’t rich with women, it is the top of the house. Companies need more expansive recruitment and retention techniques — to not only recruit the diversity that you want at your board and management levels, but to keep them by allowing them to advance into the roles they are qualified for.”

— Colleen Moorehead,
Chief Client Officer, Osler

⁹ Ibid.

¹⁰ Ibid.

¹¹ Devillard, S., Vogel, T., Pickersgill, A., Madgavkar, A., Nowski, T., Krishnan, M., Pan, T., & Kechrid, D. (2017). *The power of parity: Advancing women’s equality in Canada*, executive summary. McKinsey Global Institute, McKinsey & Company Canada. Retrieved from <https://www.mckinsey.com/global-themes/gender-equality/the-power-of-parity-advancing-womens-equality-in-canada>

¹² Ibid.

¹³ Ibid.

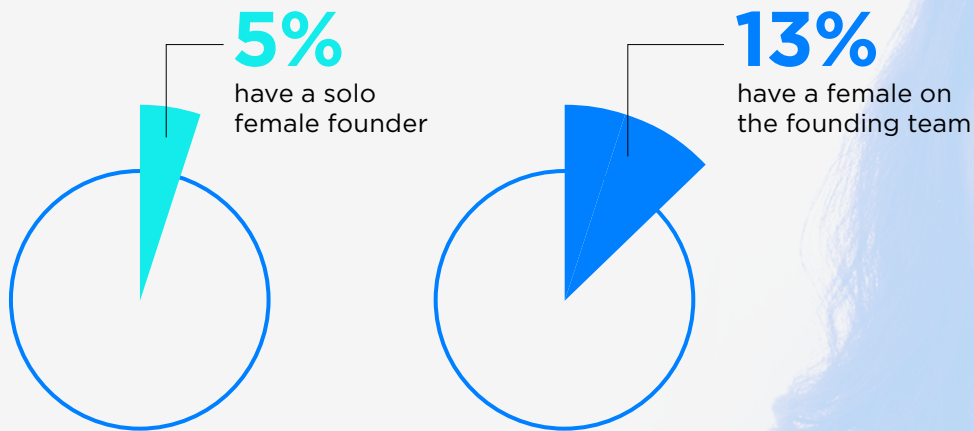
¹⁴ Moyser, M. (2015). Women and paid work. Statistics Canada. Retrieved from <http://www.statcan.gc.ca/pub/89-503-x/2015001/article/14694-eng.htm>

¹⁵ PwC Canada (2016). *Ready for change: Harness the potential of your female workforce*. PwC Women in Work Index 2016: Canadian Insights, 5. Retrieved from <https://www.pwc.com/ca/en/consulting/publications/pwc-2016-women-in-work-canadian-insights.pdf>

¹⁶ Ibid.

Women as founders

FOUNDERS OF CANADIAN TECH COMPANIES



“All along the path that I’ve had, there have been these ‘step increases’ where something remarkable has happened: I get access to capital, a potential sale, a door opens... and they have always been as a result of someone reaching out and offering to help. It has been the most important part of the process that I have gone through.”

— Nicole Verkindt, Founder & CEO, OMX

According to our analysis, only about 5% of Canadian tech companies have a female founder. When companies with male and female co-founders are factored in, the percentage of tech companies founded by women increases to 13% — a notable jump, but still not as high as it could be.

Of the Branham Group’s Top 25 Up and Coming ICT Companies, 17 had founder data available — and of that 17, two had a female founder, while two more had male and female co-founders. Those seem like low numbers — but in such a small sample, that means 24% of up-and-coming companies had a female on the founding team. Could this be the beginning of a trend in Canada, where newer companies are more likely to include female founders?

At the very least, we're moving in the right direction. Recent research by MaRS reveals that between 28–30% of its ventures surveyed have at least one woman on the founding team.¹⁷ The presence of female executives and founders in startups and scaling firms has been improving overall, and that's reason to be optimistic.

As things stand, though, the numbers are nothing to brag about. Looking at the startup and scaling companies in BDC's portfolio, we see that on average only 13% of CEOs are women, 15.8% of C-suite positions are held by women and 14.3% of founders or co-founders are women.

Overall, these small numbers are frustrating. "When we do see female founders at McRock Capital, I tend to give them more time," says Whitney Rockley. "We recognize that in every way, female founders are still very much a rarity."

Part of the struggle is that women may have trouble finding the support and mentorship they need. Michelle Scarborough, BDC's Managing Director of Strategic Investments and Women in Tech, agrees: "I've conducted focus groups across Canada over the last several months with female entrepreneurs, from seed to 10 or 20 million in revenue, and the common themes throughout were the need for access to peer-to-peer networks and the need for mentorship."

Of course, mentorship doesn't have to take place in a formal capacity, such as a company program; studies suggest that simply pairing a mentor with a mentee can be ineffective if there's no personal connection or chemistry.¹⁸ It's more important to have a community where we can foster relationships, where leaders step up in support of founders and where visible role models provide a roadmap for other women to follow in their footsteps. Many of Canada's tech leaders — Michelle McBane, Justine Kilby, Whitney Rockley, Colleen Moorehead — have personal stories of how they were championed by mentors, both male and female, as they rose to prominence in their respective careers. This is often referred to as career "sponsorship".

Ben Zifkin identifies two easy ways for men to move the dial for women entrepreneurs: "First, we should help by letting women see where they can be and what they can do. It's always harder when there are fewer people to look up to as role models. The other is that we should create an environment where women feel comfortable that they can succeed, and they have allies cheering them on and supporting them."



"A strong competitive ecosystem is heavily dependent on attracting and hiring from the best talent pool available, and it is for this reason diversity within the industry is important if Canada is to take a leading position on the global stage."

— **Anthony Lacavera,**
Founder & Chairman,
Globalive Holdings

¹⁷ <https://www.marsdd.com/wp-content/uploads/2014/06/MaRS-Survey-methodology-2015.pdf>

¹⁸ Annis, B. & Nesbitt, R. (2017). *Results at the Top: Using gender intelligence to create breakthrough growth*. John Wiley & Sons, Inc., Hoboken, New Jersey, 9.

Thankfully, many women are already paving the way and setting that example for the next generation of entrepreneurs. “We have 122 companies in our seed program that I manage for BDC capital, and about 26% of those are female founders,” says Scarborough. “Change is already possible.”

Janet Bannister, General Partner at Real Ventures, Canada’s largest and most active early-stage venture fund, shares this optimistic outlook.

“The message I would want would-be female entrepreneurs to know is that absolutely they can get funded — in fact, VCs are actively looking for more female founders to fund. There’s never been a better time for women in technology,” she says. “It is never easy to be an entrepreneur or business leader, particularly in the extremely fast-paced, competitive tech world. But for women who want to build their own tech business or pursue a career in tech, they should absolutely go for it; they should pursue their dreams and they can definitely be successful.”

And for female founders who feel pressure to be more aggressive or typically “masculine” when seeking funding, Bannister has a word of advice. “I would also say to women: you don’t need to change who you are to be successful in tech. I would encourage women to be themselves.”



“We believe that stories have the ability to inspire change and spur action. The more access we can provide to these empowering stories of women who are achieving success, breaking barriers and defying the odds, the more change we’ll begin to see. Stories have that kind of power. Our goal, through this platform, will be to give voice to all those incredible women who are boldly changing the world — both in technology and beyond.”

— **Candice Faktor, Managing Partner, Faktory Ventures**



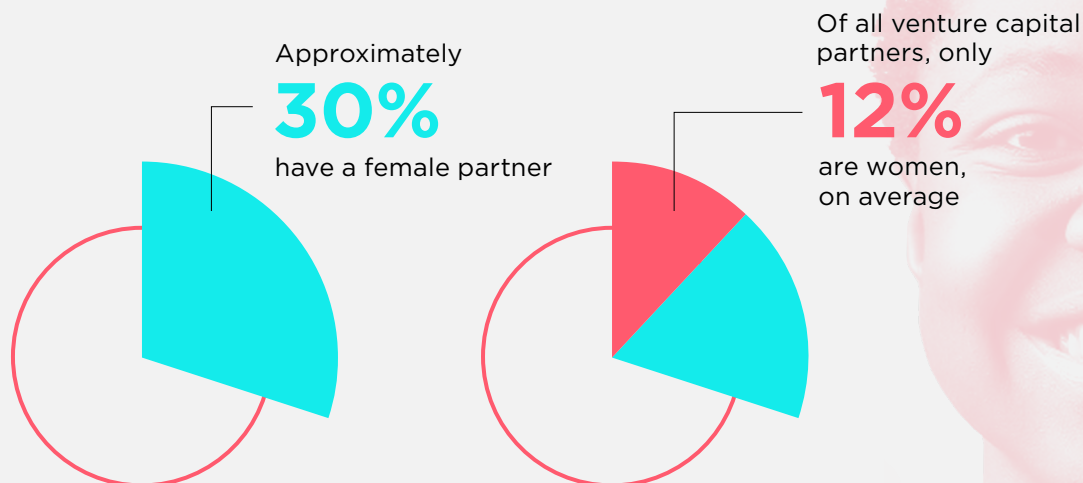
“Innovation is the heart of our economic engine in Canada and we will only succeed if everybody’s voice is at the table. Diversity is our strength. We need to empower and engage women in business and provide the proper support to ensure their success. Together with the tech industry, organizations like #movethedial and Canadians everywhere, I have no doubt that we can, and will, close the gender gap and see a rise in the number of female founders and CEOs in the tech industry.”

— **Navdeep Bains, Minister of Innovation, Science and Economic Development, Government of Canada**

Women in venture capital

5

WOMEN IN VENTURE CAPITAL FIRMS



“There are more exciting women-led ventures now who are out there raising money. To quote Sheryl Sandberg, in the future there will be no ‘female leaders’, there will just be ‘leaders’. That’s my dream for where we’re going with this — sustainability means we won’t be having this conversation anymore.”

— Michelle McBane, Director, MaRS Investment Accelerator Fund & Managing Director, StandUp Ventures

Venture capital is an essential part of any tech ecosystem, providing the funds necessary for new ideas and innovations to stand on their own two feet. But this is another area where female entrepreneurs face challenges that their male colleagues frequently do not — and another area where we can move the dial.

It’s a well-known fact that women receive less funding from VCs on average,¹⁹ partly because they would rather be forthright and realistic when pitching, rather than reach for the stars with the high-risk, high-reward style typically favoured by men. Venture capitalists also tend to ask men promotion-oriented questions, while women are asked prevention-oriented questions, according to a study in the *Harvard Business Review*.²⁰

¹⁹ Narvey, J. (2016). Where are the women in Canadian venture capital? BetaKit. Retrieved from <https://betakit.com/getting-worse-before-it-gets-better-where-are-the-women-in-vc/>

²⁰ Kanze, D., Huang, L., Conley, M. A., & Higgins, E. T. (2017). Male and female entrepreneurs get asked different questions by VCs — and it affects how much funding they get. *Harvard Business Review*. Retrieved from <https://hbr.org/2017/06/male-and-female-entrepreneurs-get-asked-different-questions-by-vcs-and-it-affects-how-much-funding-they-get>

"I've had female entrepreneurs tell me that they have had to change their stories to talk to male VCs, or that when they go to a pitch, they bring a guy with them to make them seem more credible," says Chris Dulny. "When women are trying to adapt that much to get funding, it can't be good for innovation. But these are the types of challenges female entrepreneurs struggle with. These are the walls we're trying to break down."

Canada's venture capitalists have to help move the dial by becoming conscious of this bias and understanding that there are inherent differences in how men and women communicate their ideas.²¹ Michelle McBane, Director of MaRS Investment Accelerator Fund and Managing Director of StandUp Ventures, believes that having more women on the VC side would help. "Until you have more female investors, I think it's going to be really tough to change this over the long term. It's absolutely critical to have teams where there are more women around the table leading and contributing to the investment decisions and providing a broader viewpoint to the discussion."

Michelle Scarborough shares a similar perspective: "When you have diversity around the boardroom table, and when you have diversity around the partnership at a general practice and at the investment committee, you see an increase in the number of female founders or women-led businesses that are invested in."

While the *Harvard Business Review* notes that VCs of both genders seem to share similar biases when vetting entrepreneurs, McBane and Scarborough make a good point: the most recent statistics in the Crunchbase Women in Venture report give strong evidence that venture firms with female founders, or those with a higher percentage of female partners, invest more in women entrepreneurs.²²

Still, women are underrepresented in Canada's VC sector. Research we conducted based on lists of VC firms from the CVCA and MaRS shows that approximately 30% of firms have a female partner. Of all venture capital partners, 12% are women, on average. Unfortunately, the percentage falls further when measuring women as managing partners, from 30% to 13%.

Mike Woollatt, CEO of CVCA, would like to see more women encouraged to pursue careers in venture capital. "Associations like ours can make a difference by reaching out to thousands of members and using this reach as a vehicle for change. Those leading the charge, whether on the investing side or the tech side, can continue to do a better job of celebrating, promoting and building on this small but growing percentage to ensure that women of all ages can see themselves in these roles. On the positive side, I think there are a lot of women eager to get involved in our side of the business."



"What attracted me to #movethedial in the first place was its ability to drive tangible results that are beneficial to me in my day-to-day as a developer. #movethedial is not only on a mission to change gender ratios in innovation and investment, but they are also producing a positive impact on the startup ecosystem as a whole."

— Anna Mackenzie,
Front-End Developer,
Nudge.ai

²¹ Annis, B. & Nesbitt, R. (2017). *Results at the Top: Using gender intelligence to create breakthrough growth*. John Wiley & Sons, Inc., Hoboken, New Jersey, 35-38.

²² Teare, G. & Desmond, N. (2017). Announcing the 2017 update to the Crunchbase Women in Venture report. TechCrunch. Retrieved from <https://techcrunch.com/2017/10/04/announcing-the-2017-update-to-the-crunchbase-women-in-venture-report/>

Women in the executive team and C-suite

6

IN CANADIAN TECH COMPANIES

Women comprise only **13%** of the average tech company's executive team



while



53% of tech companies have no female executives at all

“We have a long way to go, but I am encouraged to see in the data that when there’s one woman in a company’s leadership, there is likely to be more. This shows that if we focus on sponsoring a few women into leadership positions, other women will benefit. My hope would be that this cascading effect closes the gender gap more quickly.”

— Justine Kilby, Head of Strategy, Ceridian

There’s no question that gender diversity is good for any business’ bottom line, but how diverse are the C-suites of Canada’s tech companies? The data from our analysis shows that there’s some cause for concern, but there are positive signals as well.

From our research, altogether, women comprise 13% of the average tech company’s executive team, but that doesn’t mean they’re distributed evenly across the ecosystem — 53% of tech companies have no women executives at all.

While these numbers are disheartening, the data can be seen from a different perspective — the numbers speak to the positive change that women can bring to their organizations once they’re in senior positions. For example, of the companies that include women on the executive team, women also make up 13% of the board. While this may seem unremarkable, it actually compares favourably with the companies with no female executives, for whom only 4% of board members are women.

Moreover, 14% of the companies with female executives also have a female founder. Only 11% of companies have a female founder but no female executives. Of the companies with women on the executive team, 12% have a female CEO, whereas none of the companies without female executives have a female CEO.

While these numbers leave a lot to be desired, they do show how women can move the dial for other women. This is even more pronounced when we look at the C-suite data. According to our research, on average only 5% of Canadian tech companies have a female CEO, though that statistic increases to 6% when male and female co-CEOs are factored in. When a company has a woman as a CEO, 48% of the executive team is female — compared to only 11% when the CEO is male. Likewise, companies with a female CEO have more female board members: 34%, compared to just 6% when the CEO is male.

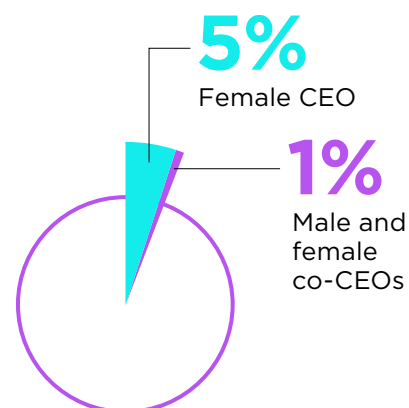
Having female CEOs and board members doesn't just bode well for executive leadership, it also has a trickle-down effect through the whole company. "If there are women on the board, or women in CEO roles, the numbers of women overall are substantially higher," says Colleen Moorehead. "So that really reads to the 'If I see one I can be one' mentality. When you are sitting in leadership roles as a woman, you can drive that change."

Rasha Katabi, Co-Founder and CEO of Brim Financial, explains, "It may be easier for women to have implicit trust in each others' capabilities, which is an important factor when making decisions around key hires and advisors." Having more women in the C-suite helps us to push back against flawed hiring practices and give more women the career opportunities they deserve.

The capacity to drive change is something Justine Kilby also takes seriously in her role as Head of Strategy at Ceridian. "It gives me the opportunity to identify women in our organization that are doing great work, and either connect them with opportunities behind the scenes or encourage them directly to take on a larger role, lead a project or get on stage," she says. "My proudest work accomplishment to date has been seeing some of these amazing women rise into visible leaders and be identified as top talent in our company."

Even still, the gender gap is wide — and remains so across all of corporate Canada, as measured in the most recent Rosenzweig Report.²³ Each year, Rosenzweig & Company examines the 100 largest publicly-traded companies in Canada to see how many of its top five executive officers (Named Executive Officers, or NEOs) are men and how many are women. In 2017, 48 out of 532 executives are women — six more than last year — while 484 are men, a number that has stayed the same.²⁴ That means that 9% of NEOs are women; a modest increase, but an increase nevertheless.²⁵

WOMEN CEOs IN CANADIAN TECH COMPANIES



"Within a very short time #movethedial has already created meaningful impact for my journey as a female founder building her first tech company. Leading by personal example, Jodi has recognized the true meaning of sponsorship and has put into action the creation of an authentic support system for women like myself. I have never felt the kind of powerful backing that #movethedial is generating."

— Maayan Ziv, Founder & CEO, Access Now

²³ Rosenzweig & Company (2017). The twelfth annual Rosenzweig Report: March 2017. Rosenzweig & Company Global Talent Management. Retrieved from <http://www.rosenzweigco.com/media-1/12th-annual-rosenzweig-report-on-women-at-the-top-levels-of-corporate-canada-2017>

²⁴ Ibid.

²⁵ Ibid.

"Gender equality is an imperative in any just society, but it also makes good business sense," says Jay Rosenzweig, Founding Partner of Rosenzweig & Company. "Men as well as women can and should be engaged in the effort. I have been conducting a study charting the status of women in top corporate positions for 12 years. Progress has been painfully slow thus far and it is, without a doubt, time to move the dial."

Rosenzweig is right. Progress has been slow. In the top 25 publicly-traded companies, a mere 5% of NEOs are women while 95% are men; of the 25 NEO positions at the five largest banks, only three are held by women.²⁶ But on a positive note, 39 companies now have female NEOs, compared with 34 the previous year.²⁷ And since women in senior leadership are able to move the dial for other women, this momentum will hopefully continue. As Katabi states, "Gender parity isn't going to solve itself. This movement has to be a movement with intent."

Another way female leaders can move the dial? They can start new ventures. "My hope is that there will be women in senior leadership roles in tech who then decide, 'Hey, I have a strong idea, domain expertise and the ability to recruit a great team, I'm going to start my own company,'" says Michelle McBane. "I believe we need to have more startups that are scaling and that are training people to work in the technology industry. Furthermore, if you have more women at the top early on, you'll have more women in your company, because these are high-growth ventures that will hire from diverse talent pools from the onset."



"Fostering a diverse tech ecosystem is critical in order to access the talent and ideas that will ultimately drive economic growth here in Canada and globally."

— David Ossip,
Chairman & CEO, Ceridian

WOMEN IN THE EXECUTIVE TEAM

14% of the companies **with** female executives



have a
female founder

11% of companies **with** a female founder



had **no**
female executives

Percentage of women on the **executive team**

Woman as CEO

48%

Man as CEO

11%

Percentage of women on the **board**

Woman as CEO

34%

Man as CEO

6%

²⁶ Ibid.

²⁷ Ibid.

Women as directors on boards

7

IN CANADIAN TECH COMPANIES

On average, only **8%** of directors at Canadian tech companies are women



while



73% of boards have no women at all

“The best products don’t always win, neither do the best marketing strategies. The best teams win, and I fundamentally believe that the best teams are those that have diverse groups of people around the table.”

— Ben Zifkin, Founder & CEO, Hubba

Bringing more women onto boards of directors is one of easiest and most effective ways to diminish the gender gap and augment a company’s diversity. Boards are essential in determining the overall direction of a company — and because boards elect their own directors, they have control over their own gender diversity.²⁸

Moreover, since the boards of larger companies hire the CEOs, they are responsible for choosing whether the company will be run by a man or a woman. They can even have an effect on the gender composition of the top management team, and every other team in the organization, by changing the corporate culture and by being mentors and role models.²⁹

This trend can be seen in our analysis of Canada’s tech companies. According to our research, on average only 8% of directors are women, and 73% of boards have no women at all. But in cases where there are women on the board of directors, about 22% of the executive team consists of women, compared to 10% when women are excluded from the board.

²⁸ Annis, B. & Nesbitt, R. (2017). *Results at the Top: Using gender intelligence to create breakthrough growth*. John Wiley & Sons, Inc., Hoboken, New Jersey, 124–125.

²⁹ Ibid.

Of companies with women on the board of directors, 16% have a female founder and 14% have a female CEO. When the board is constituted of men only, 4% of companies have a female founder and 2% have a female CEO. Once more, it's clear from these metrics that having women in board leadership opens doors and moves the dial for other women.

This is not only significant in terms of gender equality — it's also a great business opportunity. "There's data now that supports that women-led companies outperform the portfolios that are all men by 63%, so it's pretty substantial," says Michelle McBane, citing a study released by First Round.³⁰

This difference is quite dramatic when women are added to boards. Barbara Annis and Richard Nesbitt surveyed studies from Catalyst Research, Credit Suisse, McKinsey & Company, the European Union Commission and Columbia Business School spanning two decades, and the results show that adding women to boards significantly improved several financial metrics.³¹ Bloomberg has observed the same trend in its analysis of S&P 500 companies.³²

Corporate Canada has taken some steps in addressing the representation of women on boards of directors, as outlined in Osler's 2017 Diversity Disclosure Practices report. These annual reports look at the roles of women leaders at TSX-listed companies, and the most recent one shows that women now hold 14.5% of all board seats, though this number is 26% for S&P/TSX 60 companies.³³ Only 37% of TSX-listed companies have no women on the boards, which is a significant improvement over 46% in 2016.³⁴

Moreover, 47% of S&P/TSX 60 companies have set specific targets for women's representation on boards, compared to only 39% in 2016.³⁵ And 47% of all TSX-listed companies have created some sort of board diversity policy, which is a marked improvement over the 34% in 2016.³⁶



"TWG's journey towards building a diverse workforce began with our #changetogether initiative with Tech Girls Canada. We've learned a lot about ourselves, and see the sector dynamic more clearly than ever. Not only are we making conscious and deliberate shifts to ensure our workforce is diverse — as it should be — but we are also making a significant proportion of our investments in women-led companies because women in tech in Canada are doing amazing things. The future, on all fronts, is being defined by technology. Therefore, the future cannot, and should not, be reflective of one voice. That is the fundamental reason we are a founding partner of #movethedial."

— Chris Eben,
Managing Partner, TWG

³⁰ First Round (2015). Ten year project. Retrieved from <http://10years.firstround.com/>

³¹ Annis, B. & Nesbitt, R. (2017). *Results at the top: Using gender intelligence to create breakthrough growth*. John Wiley & Sons, Inc., Hoboken, New Jersey, 18-19.

³² Winkler, M. & Sun, A. (2017). Data shows business outperforms with women. Bloomberg Professional Services. Retrieved from <https://www.bloomberg.com/professional/blog/data-shows-business-outperforms-women/>

³³ MacDougall, A., Valley, J., Adler, J., Bettel, C., Param, A., Schmidt, J., Sigurdson A., Strachan, T., & Suppa, O. (2017). *2017 diversity disclosure practices: Women in leadership roles at TSX-listed companies*. Osler, 4. Retrieved from <https://www.osler.com/osler/media/Osler/reports/corporate-governance/Gender-diversity-board-of-directors-executive-officers-Canada-2017.pdf>

³⁴ Ibid., 3.

³⁵ Ibid.

The federal government's Advisory Council recently published a report of its own, in which it recommended a target of 30% female boardroom representation by 2019.³⁷ This would align Canada with certain EU countries, where governments have already set quotas for gender equality on boards: having set a target of 40% female representation, France is at 37.6%; Germany has risen to 26.7% after setting a 30% requirement; and Norway has now reached 39.3% of its 40% goal.³⁸ Belgium and Italy have both set targets for 33%.³⁹ However, Europe and North America have always had differing perspectives on the extent to which government should exercise power over the private sector.

"There's been a lot written and done by the regulators around women on boards — the highest level of corporate governance — and tech is no different," notes Chris Dulny. "If you don't have women in the boardroom, we're going to end up with nobody to affect change."

To improve women's representation on boards, Dulny prefers transparency: "It's quite a powerful tool when you think about it. Whether you're sharing those numbers internally with your staff or externally with the market, transparency is an effective way to hold leaders accountable for what they say they're going to do."

"There are several lists of qualified women for boards. For instance, theBoardlist is a "Who's Who" of female tech leaders launched by Sukhinder Singh Cassidy.⁴⁰ Other lists include those prepared by the Information Technology Association of Canada (ITAC) and those kept by Catalyst. There have been some successful placements as a result of these lists. For instance, Colleen Moorehead recalls, "We wanted to recruit someone from the U.S. market who had experience in either marketing or sales at a leadership level. By using theBoardlist, we were able to connect with qualified candidates and begin a dialogue. There isn't a problem with supply in terms of qualified women — we know this."

While theBoardlist and similar lists are helpful, lists alone are not enough. We believe that three things are needed in order to get women on boards:

1. Desire by decision makers to get more women on their boards;
2. Strong supply of well qualified women; and
3. Awareness among the decision makers regarding where to find these women.

The existence of these lists — and the quality and quantity of women on these lists — clearly indicates that supply is not an issue. However, more work is required to help decision makers understand the benefits of a more diverse board, to raise the awareness of these lists and to improve their accessibility and usability. These are some of the things that #movethedial is committed to addressing.



"The most profound changes in my career have been as a result of someone taking a little bit of time and using some relationship capital to connect me, and create opportunities. I have had so many champions in my career that have done this, and I now do the same. It is my way of giving back. It costs me nothing and gives someone else an extraordinary amount. In this way, we can build this movement, together."

— Michele Romanow,
Co-Founder, Clearbanc

³⁶ Ibid, 4.

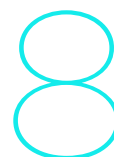
³⁷ PwC Canada (2016). *Ready for change: Harness the potential of your female workforce*. PwC Women in Work Index 2016: Canadian Insights, 7. Retrieved from <https://www.pwc.com/ca/en/consulting/publications/pwc-2016-women-in-work-canadian-insights.pdf>

³⁸ MacDougall, A., Valley, J., Adler, J., Bettel, C., Param, A., Schmidt, J., Sigurdson A., Strachan, T., & Suppa, O. (2017). *2017 diversity disclosure practices: Women in leadership roles at TSX-listed companies*. Osler, 7. Retrieved from <https://www.osler.com/osler/media/Osler/reports/corporate-governance/Gender-diversity-board-of-directors-executive-officers-Canada-2017.pdf>

³⁹ PwC Canada (2016). *Ready for change: Harness the potential of your female workforce*. PwC Women in Work Index 2016: Canadian Insights, 7. Retrieved from <https://www.pwc.com/ca/en/consulting/publications/pwc-2016-women-in-work-canadian-insights.pdf>

⁴⁰ Galang, J. (2017). theBoardlist launches in Canada to get more women on company boards. BetaKit. Retrieved from <https://betakit.com/theboardlist-launches-in-canada-to-get-more-women-on-company-boards/>

Where will we move the dial?



“We need to put our money where our mouth is: less talk, more action. Government and corporations can start by holding themselves accountable, and acknowledging the value of what diverse groups bring to the table. Companies need to work with internal and external stakeholders who embody and intrinsically understand diversity. Rather than lip service, we need to commit financial and human resources that can be evaluated over time. Invest in systemic changes, not band-aid, stand-alone initiatives that put organizations with similar interests in competition for limited resources and funding.”

— Jessica Yamoah, Co-Founder of Innovate Inclusion

To reap the business and societal benefits of diversity, many more women need to be part of the tech ecosystem — at all levels, and in all roles. Significantly increasing the participation of women will fuel a pipeline of women-led growth firms. Now that we’ve established this baseline, we are setting goals for where we would like to move the dial, which we’ll release alongside our strategic plan.

Already, women all across the country are showing amazing drive and determination. According to the Global Entrepreneurship Monitor (GEM), entrepreneurial intentions among women increased by as much as 30% in North America, largely due to Canadians.⁴¹ The level of international sales among women entrepreneurs averaged 32% in Canada, but only 9% in the United States.⁴² And when compared to the whole sample, Canadian women showed the highest level of activity in ICT.⁴³

So we can see that the dial is indeed moving, little by little, but without a big collective push, progress will continue to be incremental at best. This needs to be a tipping point: a point where incremental becomes exponential. It’s exciting to imagine what this industry will look like in five years’ — or even just one year’s — time.



Actions you can take

Go to **www.movethedial.ca** to join the movement and:

- Champion the career of a woman in your network
- Share a #movethedial moment
- Share your video story through #movethedialstories
- Join our community and receive updates on events and programs
- Become a partner or volunteer

⁴¹ Galang, J. (2017). Report: women’s entrepreneurship on the rise globally, partly thanks to Canada. BetaKit. Retrieved from <https://betakit.com/report-womens-entrepreneurship-on-the-rise-globally-partly-thanks-to-canada/>

⁴² Ibid.

⁴³ Ibid.

Thanks to our sponsors



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In just nine months, #movethedial has gained tremendous momentum.

We have a large and growing number of community and global corporate partners, and thousands of individuals committed to increasing the number of women in the tech sector and in its leadership.

Our impact to date:

<p>3,000+ in our community of participants and partners</p> <p>40+ senior leaders as advisors</p> <p>150+ tech champions</p>	<p>Through a #movethedial campaign, we saw a</p> <p>400% INCREASE</p> <p>in female founder nominations in Toronto for C100, a non-profit, member-driven association of Canadian thought leaders in the San Francisco Bay Area committed to supporting and accelerating the innovation economy in Canada</p>	<p>Elevate Toronto Tech festival in September hosted</p> <p>3,000 attendees and featured</p> <p>40% female speakers on panels through a partnership with</p> <p>#MOVETHEDIAL</p>
<p>AceTech Ontario INCREASED female CEO & COO participation by</p> <p>230%</p>	<p>Hosted</p> <p>SIX EVENTS</p> <p>first convened 1,000+ people, including the largest group of women in tech in Canada, >500 women</p>	<p>Launched #movethedial pitch, a new series of OPPORTUNITIES FOR FEMALE FOUNDERS to pitch for feedback, prizes and to receive HIGH IMPACT MENTORING on their business plans, not their decks</p>
	<p>Toronto Mayor</p> <p>JOHN TORY</p> <p>pledged to attend events featuring diverse panels inspired by #movethedial</p>	
<p>Launched global #MOVETHEDIAL STORIES campaign intended to</p> <p>INSPIRE, EMPOWER AND CONNECT</p>		

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