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**It Is About Time**

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September 23, 2010 by Janice Reals Ellig

We all know that anything new, different or seen as an outlier makes news. So it wasn't all that surprising when Carol Bartz, Chief Executive Officer of Yahoo!, made headlines in a recent *Bloomberg News* article that reported she took home a $47.2 million compensation package. But what is interesting were the conclusions drawn from such news: That the glass ceiling that holds women back in Corporate America has been "*shattered*."

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Not so fast. When you dig deeper and go behind the headlines, the real issue remains the same as it has been since women entered the workforce: in the C-Suite, the average compensation of all women is still below that of their male peers. In other words – the pay gap has not disappeared. And, below the C-Suite, even though working women tend to be more educated, on average, than working men, women who work full time still only earn about 77 cents for every dollar that men earn annually, according to the Institute for Women's Policy Research.

Why should women be treated any differently when they are tapped to do the same job as a man? Sure, it's newsy and provocative to single out a relatively small number of women who are whisked into a company to solve a problem, negotiate attractive compensation packages that the board deems appropriate for her services, and then say "the glass ceiling has been shattered." But a few examples do not make a trend – especially when the overwhelming evidence of women being underpaid still prevails.

Nonetheless, we find the Bloomberg article to be encouraging news. According to some numbers they reported, "16 women heading companies in the Standard & Poor's 500 Index average earnings of $14.2 million in their last fiscal years, 43 percent more than the male average." And, "the women who were also CEOs in 2008 received a 19 percent raise in 2009 – while the men took a 5 percent cut." This is progress for women. And we would suggest that the pay cut on average for men was most likely justified, given the downfall of the male-led companies that were in the headlines – Bear Stearns, AIG, Lehman Brothers, Merrill Lynch, Bank of America, Washington Mutual, Countrywide, Fannie Mae, Freddie Mac, Citigroup, to name a few. These financial institutions created a crisis and caused a loss of over $7 trillion in market cap by year-end 2008. CEOs of these, and other companies, should receive less in compensation.

If Carol Bartz and other women-led companies destroy the stock value of their companies, become reckless leaders, or are asleep at the wheel, then they too should be treated like their male peers – be fired or at least have their pay slashed dramatically.

The bottom line is that boards need to pay for performance regardless of gender. That means it is just as bad to *pay women too much as it is to pay too little!*

*About the author: Janice Reals Ellig is Co-CEO of Chadick Ellig, and was named as one of the "World's Most Influential Headhunters" by BusinessWeek. With over 20 years of experience as a senior-level corporate executive, Janice focuses her search practice on the recruitment of senior level executives and board directors, with a focus on diversity. Janice's corporate experience includes Pfizer, Citibank and Ambac Financial Group which she helped take public after a spin-off from Citibank in 1991. Janice has co-authored two books: "Driving The Career Highway, 20 Road Signs You Can't Afford To Miss" (2007) and "What Every Successful Woman Knows: 12 Breakthrough Strategies to Get the Power and Ignite Your Career" (2001), acknowledged by BusinessWeek as "the best of its genre." Janice is President of the Women's Forum, New York, Executive Committee and Board Director for the University of Iowa Foundation, and serves on the Simmons College, School of Management Advisory Board, the Business Committee of the Metropolitan Museum of Art and The Economic Club of NY.*