

2023 Middle East Technology Officers Compensation Survey



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A message from the author

Welcome to Heidrick & Struggles' first annual *Middle East Technology Officers Compensation Survey*, which examines both organizational structure and compensation for this increasingly critical role.

For this report, Heidrick & Struggles compiled organizational and compensation data from a survey fielded in March of 2023 of 47 technology leaders based in the United Arab Emirates, Saudi Arabia, Kuwait, and Bahrain. In the coming years, we expect to be able to report further on additional countries with an expanded sample size. Most respondents carried the title of chief technology & digital officer, but respondents also include chief information officers, chief digital officers, and other senior information security executives.

We hope you enjoy reading the report, which is the only one of its kind covering organizational structure and compensation data. As always, suggestions are welcome, so please feel free to contact us with questions and comments.

With warmest regards,



Tom Clarke

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Methodology

In an online survey, we asked participants to provide information on their role structure and industry, alongside data on compensation including current base salary and bonus for the most recent fiscal year. All data collected was self-reported by the respondents and has been aggregated.

On confidentiality

The Middle East technology officers compensation survey, 2023, has been conducted on an anonymous basis. All data is reported anonymously and in aggregate.

Market overview

In 2022, inflation hit already expensive markets, many with growing populations and existing mandates to develop and advance the economy. We are seeing that leadership talent is scarce in the region, leading to relatively high compensation. In our experience, most executives in this region are expats, and the region more often attracts those more senior in their careers with, in at least some cases, a different risk appetite than more junior executives.

In that context, the evolution of compensation packages is ongoing. The UAE, where the majority of our survey respondents are based, has seen a GDP growth of 3.9% since 2021.¹

Part of the evolution in compensation structure is the discontinuation of some allowances. Historically, companies offered allowances such as housing,

transportation, and education to both locals and expats to entice them to the region. As the markets have matured, we have seen these allowances be eliminated or reduced, or bundled into the fixed element of compensation.

The most commonly held role among our respondents was a dual role: chief digital & technology officer. Executives with these areas of expertise are becoming increasingly important, as organizations across all industries are facing the challenge of adapting to a variety of tech-based efficiencies, most recently generative AI. In our most recent survey of chief information security officers (CISOs), we found that these roles also often have information security responsibilities. Fifty-three percent of CISOs surveyed said they reported to either the chief information

officer, the chief technology officer, or another senior engineering executive.²

We believe that compensation structures will continue to evolve in the region as countries continue to transform. This evolution will require the expertise of global leading technology professionals. One specific area in which we think further development is required is the more common use of long-term incentive plans (LTIPs). LTIPs are common in major technology markets, however, they are occasional across the Middle East region. We feel that they will become much more frequent in years to come as organizations in the region seek to retain their core functional leaders.

With further economic growth forecast for 2023, we are excited to track the evolution of compensation designs for technology leaders in the region.

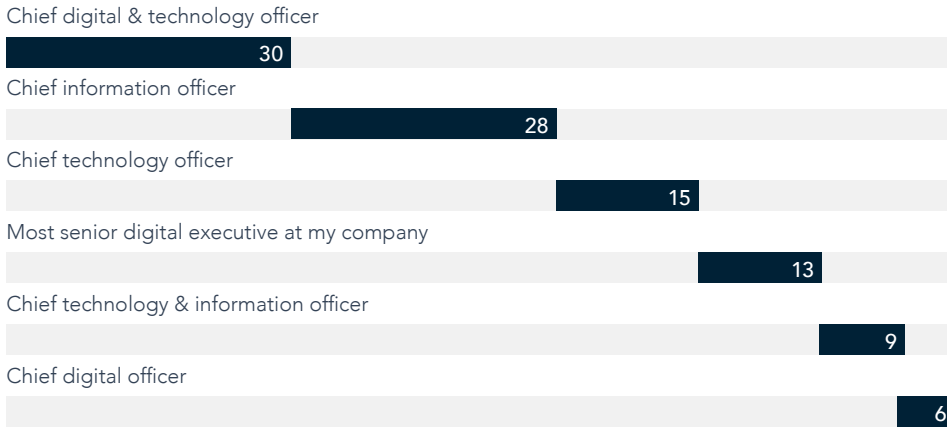
¹ "GDP growth (annual %) - United Arab Emirates," The World Bank, data.worldbank.org.

² Matt Aiello, Scott Thompson, Max Randria, Camilla Reventlow, Guy Shaul, and Adam Vaughan, 2022 *Global Chief Information Security Officer (CISO) Survey*, Heidrick & Struggles, heidrick.com.

Respondent roles and background

The most commonly held title among respondents to the survey was a dual role, chief digital & technology officer, followed by chief information officer.

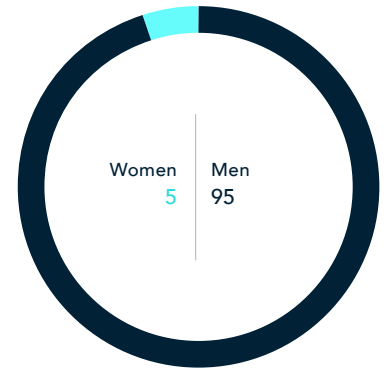
Current role or function (%)



Note: Numbers do not sum to 100%, due to rounding.
Source: Heidrick & Struggles' Middle East technology officers compensation survey, 2023, survey, 2022, n = 47

Ninety-five percent of respondents were men.

Gender (%)



Source: Heidrick & Struggles' Middle East technology officers compensation survey, 2023, survey, 2022, n = 47

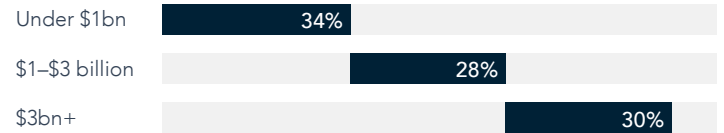
Location

The majority of respondents are located in the UAE, with Saudi Arabia, Kuwait, and Bahrain also represented. In our experience, the majority of executives in this region are expats.



Company revenue

Respondents reported a wide range of organizational revenues, from pre-revenue to more than \$5 billion.



Source: Heidrick & Struggles' Middle East technology officers compensation survey, 2023, survey, 2022, n = 45

Industry

The largest share of respondents hold roles within financial services, industrials, or energy, which is reflective of the companies most commonly found in the Middle East. Respondents represent state-owned organizations as well as companies under family or private ownership.



Experience

The vast majority of respondents had 20 or more years of professional experience. However, many respondents are earlier in their careers in terms of their C-suite experience: half have 10 or fewer years of C-suite experience.

Professional experience

20+ years

C-suite experience

<10 years

for half of the respondents

State of Middle East technology officer compensation

The median total compensation of technology officers in the Middle East was \$528,000. Unsurprisingly, those at companies with higher revenue and those with more years of experience reported higher compensation in terms of both base and bonus.

As previously discussed, long-term incentive plans (LTIPs) are rare in the Middle East, with organizations opting for mainly fixed-cash structures. We are starting to see some newly designed structures include time-based payouts and milestone payments.

In addition, we are seeing employee stock option plans (ESOPs) as the start-up ecosystem continues to mature and grow across the region.

(USD, thousands)

	Sample size	Base			Bonus			Total cash compensation		
		25th percentile	Median	75th percentile	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
Overall	41	\$275.50	\$388.00	\$513.00	\$90.00	\$163.00	\$275.50	\$403.00	\$528.00	\$838.50
Company revenue										
Under \$1bn	13	\$238.00	\$275.50	\$338.00	\$90.00	\$90.00	\$163.00	\$365.50	\$376.00	\$551.00
\$1–\$3 billion	13	\$363.00	\$388.00	\$563.00	\$90.00	\$90.00	\$238.00	\$453.00	\$478.00	\$776.00
More than \$3bn	12	\$419.25	\$488.00	\$1,047.00	\$163.00	\$275.50	\$425.50	\$533.75	\$763.50	\$1,485.25
CXO experience										
0–10 years	18	\$313.00	\$375.50	\$538.00	\$90.00	\$126.50	\$275.50	\$453.00	\$558.25	\$926.00
11 or more years	18	\$275.50	\$388.00	\$538.00	\$90.00	\$163.00	\$338.00	\$365.50	\$551.00	\$876.00

Source: Heidrick & Struggles' Middle East technology officers compensation survey, 2023, survey, 2022, n = 41

Technology Officers Practice

The world is currently experiencing a revolution. With technology constantly advancing, the contemporary business landscape is now defined by rapid innovation. Advances in cloud computing, artificial intelligence, machine learning, and the Internet of Things have enabled companies to become lean, agile, and efficient competitors in the global market. Indeed, the promise of a digital future has convinced organizations across all industry segments to adopt more technology-focused business strategies.

At Heidrick & Struggles, we believe that leadership plays an essential role in this transformation. That is why our Technology Officers Practice is committed to helping our clients find the next-generation technology talent necessary to take their organizations to the next level. Our executive search consultants bring unparalleled experience, having successfully placed more than 1,000 information and technology functional officers with some of the best-known and most-admired companies around the world.

Leader of Heidrick & Struggles' Technology Officers Practice

Global

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WE HELP OUR CLIENTS CHANGE THE WORLD,
ONE LEADERSHIP TEAM AT A TIME®

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