

## CFO pay is up in Massachusetts. Thank the stock market.



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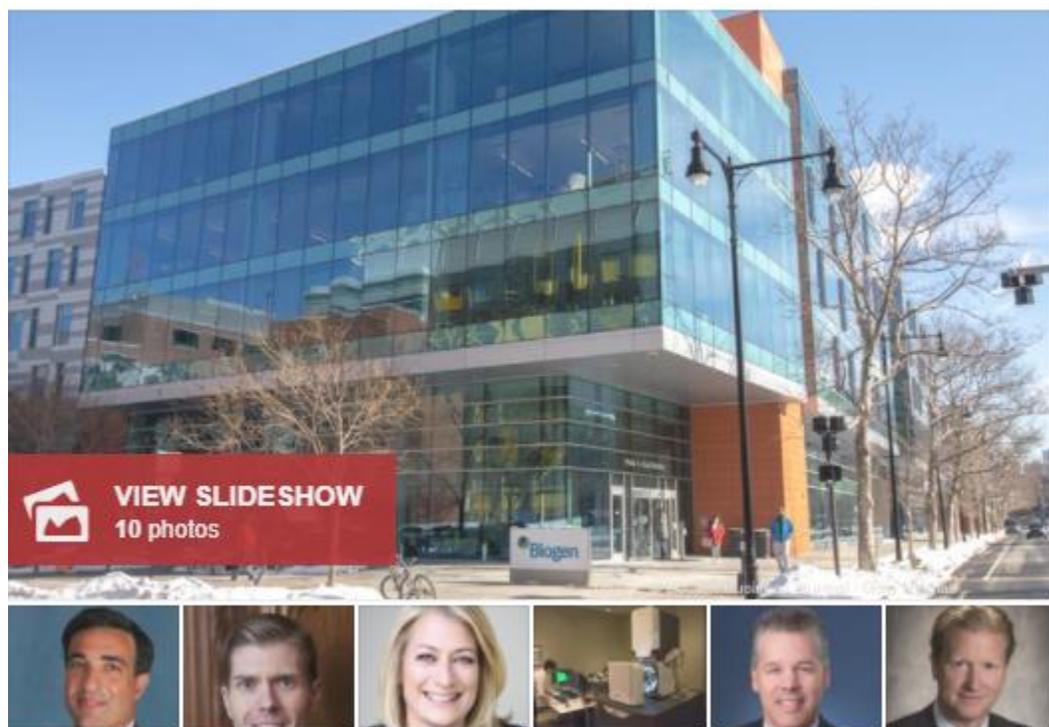
The largest public companies are more likely now to offer long-term incentives paid as performance shares than they used to — 83% of S&P 500 companies in 2018, compared to half in 2009.

By [Grant Welker](#) — Projects Reporter, Boston Business Journal  
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The chief financial officers at Massachusetts public companies [reaped the rewards](#) of their companies' success last year.

[Jason Park](#), the CFO at DraftKings (NYSE: DKNG), for example, got nearly \$54 million in stock awards for the year. That's more than five times as much as any public-company CFO in the state last year, according to a Business Journal analysis. The Boston online sports-betting company's initial public offering in April 2020 helped fuel that increase.

At General Electric (NYSE: GE), CFO and Senior Vice President [Carolina Dybeck Happe](#) reported total compensation of nearly \$24 million, of which more than \$10 million were stock awards. At Keurig Dr Pepper, CFO [Ozan Dokmecioglu](#) had stock awards that made up 90% of his nearly \$15 million in compensation.



The largest public companies are more likely now to offer long-term incentives paid as performance shares than they used to — 83% of S&P 500 companies in 2018, compared to half in 2009, said [Cynthia Clark](#), a management professor at Bentley University and the author of the book “Giving Voice to Values in the Boardroom.”

“In such a rising stock market, it’s no surprise companies are linking compensation to performance and retention,” Clark said.

Nationwide, compensation for top executives was nearly 80% stock performance-based, said [Paul Chiou](#), a business professor at Northeastern University. Total compensation rose 19% in 2020, significantly more than the 14% increase the prior year. That increase is mostly due to the rising stock market and exercised stock options, he said.

Massachusetts financial officers aren't the only executives in the C-suite reaping stock awards. At DraftKings, CEO [Jason Robins](#) reported \$231 million in stock awards. GE chief executive [Larry Culp](#) received more than \$72 million in awards last year, and PTC’s [James Heppelmann](#) had awards of nearly \$46 million.

Elsewhere, Akamai Technologies CEO [Tom Leighton](#) regularly takes a \$1 salary, but last year supplemented that with \$11 million-plus in stock awards.

A pay-for-performance system, in which more of an executive’s total compensation is tied to stock prices, can explain why the highest-paid managers in Massachusetts come from riskier

industries such as pharmaceuticals and biotechnology as well as medical equipment, Chiou said.