

An Exploratory Study on Awareness and Perceptions about Gender Pay Gap among Finance Sector Employees in Chennai

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ABSTRACT: *Organization is a place to work and human resources are considered as a main base. Human resources have to face a lot of hurdles in getting their performance noticed by top level management. One way of recognition given for the performance of employees is through compensation and rewards. Are employees recognized? Are they equally paid? Are employees in the same cadre or same job role or in the same management level are equally paid? Are male and female employees in the same organizations paid equally? The No is the answer. Hence this study is a small contribution to the wide spread gender pay gap that exists throughout the world in all work places. IT and Finance sector employees were chosen and the sample size is 150. Questionnaire was used as a tool to collect. The study reveals that gender pay gap existed even now in these organizations.*

Keywords: Genders pay gap, awareness on gender pay gap

India a growing and emerging country and which is the 2nd largest country in terms of population. When looking into the population aspect India has youth population ageing between 18-25 years which is the greatest strength of the country. Out of this population only 12% of the youth are eligible for employment. Getting employment and good salary according to the job for this youth becomes a hectic task. They face lot of hurdles in the job and one such is pay gap and for women youth population it is the gender pay gap. Getting performance recognition from the top level management for the work done is another questionable task. One way of recognition given for the performance of employees is through compensation and rewards.

Are employees recognized? Are they equally paid? Are employees in the same cadre or same job role or in the same management level are equally paid? Are male and female employees in the same organizations paid equally? The No is the answer. Gender pay inequalities have been one of the more intensively researched topics in social science. The employees working in organizations are not aware of such issues like gender pay gap existing. The Indian laws have also provided provisions about providing equal pay to the working people. Hence this study has been undergone to know whether employees are aware regarding the protection given by Indian laws regarding pay safety and to analyze what are the attributes (like age, education, level of management, gender etc) contributing to gender pay gap.

Objectives

- To know about the awareness level of gender pay gap given by Indian law among employees in organizations at Chennai.
- To study on formal awareness on existing pay packages among employees in organization
- To analyze the correlation between age, education and gender pay gap influencing job choices.
- To find association between gender pay gap for salary and gender pay gap for education.
- To analyze the relationship between employers openness regarding pay and organizational conflicts
- To study the relationship staff formally aware of how many their colleagues in the same role is paid and organizational conflicts.

Hypothesis

1. There is no correlation between gender, age, experience, education, occupation, level of management and gender pay gap.
2. There is no association between age, education, salary, gender and gender pay gap influencing job choices.
3. There is no association between gender pay gap for salary and gender pay gap for education.
4. There is no association between employers openness regarding gender pay gap and organizational conflicts
5. There is no correlation between staff formally aware of how much their colleagues in the same role are paid and organizational conflicts.

Need of the Study

The gender pay gap which is a complex issue which exists almost in all countries and organizations like India, USA, Indonesia, Brazil, South Africa etc. But people or employees are not much aware that such a difference in pay exists among their own colleagues. Hence this study is an attempt to highlight that gender pay gap exists and do not know the salary package received by their own employees.

Research Gap

Gender pay gap not only exists in India but in all grown organization which are in both in developed countries like USA, Russia etc and in developing countries like Vietnam. When looked in to national and international literature on gender pay gap no sufficient evidence is found for gender pay gap existing in Indian organizations. Hence exploring on gender pay gap in organizations with reference to companies in one of the metro cities becomes the study area.

Review of Literature

According to Joan, Evelin and Patricia (2009) analyses on the strategies utilized by organizations should help to reduce and narrow the gender pay gap. It must be able to show those who use and observe it that gender itself is a continuous, effortful and political process. Smirth Mark (2012) points out mostly the laws on gender pay gap in the European Union has been using soft approaches and mostly remained silent.

He also stresses that greater emphasis need to be shown by institutions in addressing gender pay gap. Khore va, Violetta (2011) in her analyses has found that various factors like age, marital status, gender role orientation, pay expectations, perceived gender fairness and occupational status do play a vital role in determining the gender pay gap. Hilary (2013) discusses on the lack of awareness and gender discrimination among employees in organizations leads to gender pay gap. *The Report on Salary Surveys* conducting by Ioma Research also reveals about the unequal payout for employees in US organizations.

According to Christine Romero (2000) highlights on the existence of wage gap between male and female and the issue needs to be addressed. Marina Villeneuve Gannett Washington Bureau (2012) speaks on gender pay gap with age and education. As per the reports revealed by USA Today Women in the USA earned 77% of what men earned in 2010 and women's annual median earnings were \$36,931, compared with \$47,715 for men. According to Marianne Bertrand and Kevin Hallock (2000) highlights in their article that gender pay gap exists even in top level management and also reveals that women earn 45% less than their male counterparts in US organizations.

Methodology

The article critically analyses on the awareness on gender pay gap given by Indian laws. The primary data was collected from 100 employees working in IT and Finance sector organizations through questionnaire. Likert 5 point scale was used to collect the responses. The analyzes was done through SPSS package using various statistical tools needed for the study.

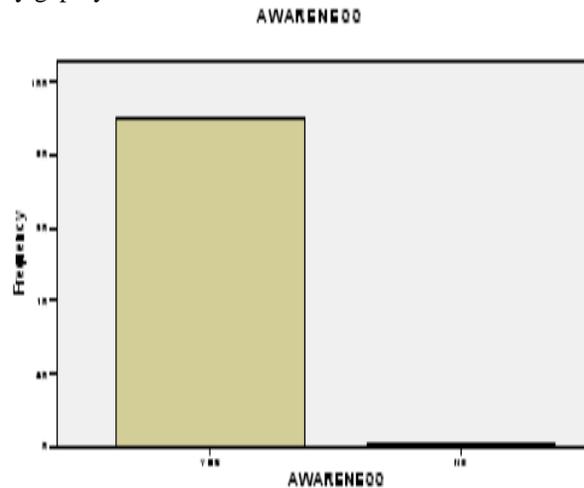
Analysis of the Study

The first objective of the study is to know about the awareness level of gender pay gap given by Indian law among employees in organizations at Chennai.

Table 1 showing the awareness level of the gender pay gap by Indian laws

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	YES	90	90.0	98.9	98.9
	NO	10	9.0	1.1	100.0
	Total	100	100	100.0	
Total		100	100.0		

Diagram 1 showing the awareness level of the gender pay gap by Indian laws



The above table and diagram shows that 90% of the respondents are aware that the Indian laws talk about gender pay gap.

The second objective is to study on formal awareness on existing pay packages among employees in organization

Table 2 shows the Staffs are made formally aware of how many their colleagues in the same role are paid

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SA	37	37.0	30.0	30.0
	A	30	30.0	33.3	63.3
	N	26	26.0	28.9	92.2
	DA	7	7.0	7.8	100.0
	Total	100	90.0	100.0	
Total		100	100.0		

The above table shows that 37% of the respondents strongly agree, 30% of the respondents agree that the employees are made formally aware of how much their colleagues in the same roles are paid.

The third objective is that to analyze the correlation between age, education and gender pay gap influencing job choices

Null Hypothesis: There is no correlation between age, education, gender, salary and gender pay gap influencing job choices.

		GAP	GENDER
GAP	Pearson Correlation	1	.118
	Sig. (2-tailed)		.267
	N	90	90
GENDER	Pearson Correlation	.118	1
	Sig. (2-tailed)	.267	
	N	90	100

From the above table it can be inferred that there exists positive correlation between gender and job choices

Table 4 Correlation between salary and gender pay gap influences job choices

		GAP	SALARY
GAP	Pearson Correlation	1	.104
	Sig. (2-tailed)		.331
	N	90	90
SALARY	Pearson Correlation	.104	1
	Sig. (2-tailed)	.331	
	N	90	100

From the above table it is inferred that there exists positive correlation between salary and job choices. Hence null hypothesis is rejected.

Note: Negative correlations exist between age, education and gender pay gap influencing job choices.

The fourth objective is that to find association between gender pay gap for salary and gender pay gap for education.

Null Hypothesis: There is no association between gender pay gap for salary and gender pay gap for education.

Table 5 Chi-Square Tests for gender pay gap for salary and gender pay gap for education

	Value	df	Sig.
Pearson Chi-Square	23.958(a)	9	.004
Likelihood Ratio	24.531	9	.004
Linear-by-Linear Association	11.238	1	.001
N of Valid Cases	90		

From the above table it is inferred that the Pearson chi-square value is 23.958 which is significant at 5% level. It can be concluded that there is association between gender pay gap for salary and gender pay for education. Hence null hypothesis is rejected.

The fifth objective is to analyze the relationship between employers' openness regarding pay and organizational conflicts.

Null Hypothesis: There is no association between employers' openness regarding gender pay gap and organizational conflicts

Table 6 Chi-Square Tests employers' openness reduces conflicts on pay gap among the colleagues

	Value	df	Sig.
Pearson Chi-Square	6.352(a)	12	.897
Likelihood Ratio	6.752	12	.874
Linear-by-Linear Association	.084	1	.772
N of Valid Cases	90		

From the above table it is inferred that the chi-square value is 6.352 which is significant at 5% level. Hence it can be concluded that there is association between employers openness about gender pay gap results in reduction of organizational conflicts. Hence the null hypothesis is rejected.

The sixth objective is to study the relationship staff formally aware of how much their colleagues in the same role are paid and organizational conflicts

Null Hypothesis: There is no correlation between staff formally aware of how much their colleagues in the same role are paid and organizational conflicts.

Table 7 Correlations between colleague's payment in the same role and gap conflicts is less

		Payment	Gap Conflicts
Payment	Correlation	1	.203
	Sig.		.055
	N	90	90
Gap Conflicts	Correlation	.203	1
	Sig.	.055	
	N	90	90

From the above it can be concluded that there exists correlation between staff formal awareness of how much their colleagues in the same role are paid which results in reduction of organizational conflicts. Hence the null hypothesis is rejected.

Research Findings

The findings of the gender gap research study are as follows:

- Both male and female employees in the organization are aware about the gender pay gap and the Indian law has mentioned about it.
- Staff are formally aware on existing pay packages among employees in organization

- There is correlation between Gender pay gap and influences job choices.
- There is Correlation between salary and gender pay gap influences job choices.
- There is negative correlations exists between age, education and gender pay gap influencing job choices.
- There is association between gender pay gap for salary and gender pay gap for education.
- Employers' openness about gender pay gap to his employees reduces organizational conflicts.
- Since staff are formally aware on existing pay packages among employees this results n less organizational conflicts.

Conclusion

The study has helped to gain knowledge in the area of gender pay gap. The employees are generally aware of it. The employers while recruiting should treat both the genders as equal and should try to make efforts to reduce the gender pay gap and provide equal pay. This reduces differences among the employees and also reduces the employer turnover in organizations. The employers are quite open about the differences existing in pay packages which can be appreciated but should not continue because it contributes to existing wide gender pay gap

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