

**A study of the perceived gender differences in pay
and the impact on employee job satisfaction**

Serushka Atcha

Student Number: 17401616

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Abstract

Employee job satisfaction is understood to be a major factor in organisational performance while gender pay gaps are a relevant issue that persists in the South African labour market. This study sought to understand what the impacts of employees' job satisfaction would be when gender pay gaps were perceived in organisations. Further the study aimed to present the extent to which the gender pay gap was understood to be present in the labour market, to ultimately assist South African businesses to understand the extent of the gap and the impact it holds, thereby allowing for targeted remediation efforts to continue to be developed, and to shed light on the consequences of employee job dissatisfaction. The study followed a qualitative research design which took the form of interviewing 12 participants who held a combination of senior and/or executive management positions, ranging from four industries and six sectors across the Johannesburg and Pretoria regions in South Africa. The study revealed that perceptions of gender pay gaps often resulted in psychological contract breaches between the employee and the employer that led to job dissatisfaction. The implications of job dissatisfaction had negative effects that impacted the employee directly. These were turnover intent, lowered employee discretionary effort, decreased employee productivity, and performance, poor engagement levels, deviant employee behaviour and low motivation. Other implications for the organisation were lowered ability to attract new talent, reduced progress on embracing diversity, poor company culture, and poor financial performance. These were all deemed to be business risks to the organisations. Further implications of job dissatisfaction extended to macro-economic impacts on society, impacts on communities and unemployment levels, these were deemed to be societal risks.

Keywords: Job satisfaction, gender pay gap, pay disparity, gender bias, psychological contract breach

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.



Serushka Atcha

7 November 2018

Table of Contents

Abstract	i
Declaration.....	ii
Table of Contents.....	iii
List of Figures	viii
List of Tables	viii
List of Exhibits.....	viii
CHAPTER 1. Introduction to the Research Problem	1
1.1 Introduction	1
1.2 Purpose.....	2
1.3 Research Problem.....	2
1.4 Research objectives	4
CHAPTER 2. Literature Review	6
2.1 Introduction	6
2.2 Gender pay gap and the barriers to advancement and equal rewards.....	9
2.2.1 Motherhood penalty.....	9
2.2.2 Marital and fatherhood premia.....	12
2.2.3 Societal beliefs and culture.....	14
2.2.4 Human capital	15
2.2.5 Discrimination.....	16
2.2.6 Occupational segregation.....	19
2.2.7 Wage gaps in public and private sector	21
2.2.8 Organisational structures.....	22
2.2.9 Negotiation and gender differences.....	24
2.3 Psychological contracts and its role in the gender pay and job satisfaction argument	26
2.4 Job satisfaction	27
2.4.1 Job Satisfaction and motivation	28
2.4.2 Job Satisfaction and employee attitudes and behaviours	28
2.4.3 Job satisfaction, organisational commitment, and job performance	29
2.4.4 Job satisfaction and turnover.....	30
2.5 Summary conclusion of the literature review	31
CHAPTER 3. Research Questions.....	33

3.1	Introduction	33
3.2	Research question 1	33
3.3	Research question 2	33
3.4	Research question 3	33
	CHAPTER 4. Research Methodology	35
4.1	Introduction	35
4.2	Research Method and Design	35
4.2.1	Rationale for proposed method	35
4.2.2	Research setting for the study	37
4.3	Research participants.....	37
4.4	Study population.....	38
4.5	The sample	38
4.6	Unit of analysis.....	39
4.7	Data collection.....	39
4.7.1	Data collection tool	39
4.7.2	Data gathering process	40
4.8	Pilot interviews	41
4.9	Analysis approach.....	42
4.9.1	Data analysis tool.....	43
4.9.2	Interview transcription process	43
4.9.3	Method of analysis	43
4.10	Data trustworthiness.....	45
4.10.1	Credibility	45
4.10.2	Transferability.....	46
4.10.3	Dependability	46
4.10.4	Confirmability	47
4.11	Research limitations	47
	CHAPTER 5. Results.....	49
5.1	Introduction	49
5.2	Data collection	49
5.3	Data analysis	50
5.4	Presentation of results	51
5.5	Results for Research Question 1.....	51
5.5.1	Is there a prevalent issue of gender pay gaps in South Africa?	52

5.5.1.1 View on the gap	52
5.5.1.2 Existence of the gap	56
5.5.1.3 Where is the gap?.....	59
5.5.2 Are women in the organisation aware of the pay gaps between genders?	61
5.5.3 Possible reasons for the gender pay gap	64
5.5.3.1 Company constructs	65
5.5.3.2 Individual factors.....	70
5.5.3.3 Imposed or inherited factors	75
5.5.4 Is pay disparities amongst genders an existing concern within industries?	78
5.5.4.1 Topic of discussion	78
5.5.4.2 Concerns relating to discussions	79
5.5.5 Programs or efforts to address gender pay gaps	80
5.5.5.1 Women empowerment embedment programs	81
5.5.5.2 Laws for equality.....	82
5.5.5.3 Levelling up the salaries	83
5.6 Results for Research Question 2.....	83
5.6.1 Job promotion and job opportunities being awarded more to men	84
5.6.1.1 Men are favoured over women	84
5.6.1.2 Equal offerings for both genders	86
5.6.1.3 Dependent on race and gender	86
5.6.2 Men attracting higher salaries when doing the same or similar work to women	87
5.7 Results for Research Question 3.....	88
5.7.1 Unequal remuneration towards women impacts their job satisfaction.....	88
5.7.1.1 Compensations impact on Job satisfaction	89
5.7.1.2 Job satisfaction and equity.....	91
5.7.2 Implications of pay inequality on female employees.....	93
5.7.2.1 The impacts of dissatisfaction	93
5.7.2.2 Employees experience.....	97
5.7.4 Conclusion	100

CHAPTER 6. Discussion of Results	102
6.1 Introduction	102
6.2 Discussion of results for Research Question 1	102
6.2.1 Prevalence of gender pay gaps in South Africa.....	102
6.2.2 Are women in the organisation aware of the pay gaps between genders? ...	104
6.2.3 Possible reasons for the gender pay gap	106
6.2.3.1 Company constructs	106
6.2.3.2 Individual factors.....	108
6.2.3.4 Imposed on inherited factors.....	109
6.2.4 Is pay disparities amongst genders an existing concern within industries? ..	110
6.2.5 Programs or efforts to address gender pay gaps	112
6.2.6 Conclusions to findings on Research Question 1	114
6.3 Discussion of results for Research Question 2.....	115
6.3.1 Promotions and job opportunities being awarded more to men.....	115
6.3.2 Men attracting higher salaries when doing the same or similar work to women	116
6.3.3 Conclusions to findings on Research Question 2	117
6.4 Discussion of results for Research Question 3.....	117
6.4.1 Unequal remuneration towards women impacts their job satisfaction.....	117
6.4.2 Implications of pay inequality on female employees.....	118
6.4.3 Conclusions to findings on Research Question 3	119
CHAPTER 7. Conclusion	121
7.1 Introduction	121
7.2 Principal findings.....	121
7.2.1 Business Risk	122
7.2.1 Societal Risk.....	123
7.3 Recommendations for management	124
7.4 Suggestions for future research	125
7.5 Limitations of the research	125
7.5.1 Researcher bias.....	126
7.5.2 Sample bias	126
7.5.3 Time constraints	126

Reference List.....	128
Appendix 1: Invitation to Participate in Research Study	141
Appendix 2: List of Respondents.....	143
Appendix 3: Interview Guideline.....	145
Appendix 4: Consent form.....	146
Appendix 5: List of codes used	147
Appendix 6: Consistency Matrix	150
Appendix 7: Ethical Clearance Letter	151

List of Figures

Figure 1. Structure of Literature Review	8
Figure 2. Code creation during analysis	49
Figure 3. Network diagram of codes related to "Implications on the employee"	94
Figure 4. Pictorial of findings	122

List of Tables

Table 1. Mean Pay Gap Differences Between Men and Women in the U.K.	7
Table 2. Length of interview per participant.....	50
Table 3. Themes emerging from "Do gender pay gaps exist?"	52
Table 4. Codes relating to Awareness levels of gender pay gaps	61
Table 5. Themes that emerged for "Reasons for the gender pay gap"	64
Table 6. Codes under the "Company constructs" theme	65
Table 7. Codes under the "Individual factors" theme	70
Table 8. Codes within the theme "Imposed or inherited factors".....	75
Table 9. Themes relating to "Gender pay gaps being a concern"	78
Table 10. Codes relating to the theme "Remediation efforts underway"	81
Table 11. Themes emerging from "Opportunity and promotion"	84
Table 12. Codes relating to Perceptions on which gender is paid more	87
Table 13. Themes emerging for Impact on job satisfaction	89
Table 14. Codes under the theme "Compensations impact on job satisfaction"	89
Table 15. Codes related to "Compensations impact on job satisfaction"	92
Table 16. Themes related to "Implications of pay inequality"	93
Table 17. Codes generated for the theme "Impacts of dissatisfaction"	94
Table 18. Codes related to "Employees experience".....	98

List of Exhibits

Exhibit 1. Graph on salary plotted against tenure provided by Participant 6	75
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CHAPTER 1. Introduction to the Research Problem

1.1 Introduction

The concept of gender inequality has been in existence for centuries and can be linked back to the biblical reference in the book of Leviticus:

When a man makes a difficult vow, he shall be valued according to your valuation of persons belonging to the LORD. If your valuation is of the male from twenty years even to sixty years old, then your valuation shall be fifty shekels of silver, after the shekel of the sanctuary. Or if it is a female, then your valuation shall be thirty shekels. Leviticus (27:3-4)

The gender pay gap has been commonly referred to as the difference in average hourly earnings of both gendered employees, when human capital factors (age, race, gender, tenure, education, and experience) have been controlled for (Blau & Kahn, 2006).

Gender pay gaps have been studied, debated, and reported on by not only academics but also has been a significant feature in the daily press globally (Azmat & Ferrer, 2017; Blau & Kahn, 2017; Bussin & Nienaber, 2015; Card, Cardoso, & Kline, 2015; D'Andrea Tyson & Klugman, 2016). There have been common themes that are considered contributory factors that extenuate the gender pay gap, these range from low to poor educational opportunities extended to women (Buser, Niederle, & Oosterbeek, 2014; Garcia-Prieto & Gómez-Costilla, 2017; Institute for Women's Policy Research, n.d.); societal beliefs (Campa, Casarico, & Profeta, 2010; Sweet, Sarkisian, Matz-Costa, & Pitt-Catsouphe, 2016); discrimination (Morgan, Walker, Hebl, & King, 2013) and family care responsibilities (England, Bearak, Budig, & Hodges, 2016; Fuller & Cooke, 2018) to name a few. Other academics have also noted that the gender pay gaps could be contributed to the unobserved differences between men and women, be it in human capital characteristics, preferences, or job knowledge (Garcia-Prieto & Gómez-Costilla, 2017).

Job satisfaction on the other hand, according to Adams (1965) equity theory, is directly related to motivation; employees' feel satisfied with their jobs when they are treated fairly. When employees apply fervour to their input, they create an expectation of the reward they will receive, this fulfilment of the reward either results in job satisfaction or dissatisfaction

(Adams, 1965). Herzberg's two factor theory (as cited by Malik & Naeem, 2013) notes that job content factors like recognition, responsibility and advancement can also contribute to job satisfaction together with hygiene factors like remuneration. When inequality is perceived, employees experience psychological contract breaches that are said to be an antecedent of job satisfaction (Rayton & Yalabik, 2014). Many scholars have investigated the impacts of low levels of job satisfaction on both employees and organisations, some factors explored include organisational commitment (Sawitri, Suswati, & Huda, 2016), job performance (Alessandri, Borgogni, & Latham, 2017) and turnover intentions (Tschopp, Grote, & Gerber, 2014).

1.2 Purpose

This research study aimed to understand what the impacts of employees' job satisfaction was when gender pay gaps were perceived in their organisations. To this end a critical review on the literature that had been published to date on both the topics of gender pay gaps and job satisfaction were explored. Further the study aimed to present the extent to which the gender pay gap is understood to be present in the South African labour market and to build onto the already existing body of knowledge to assist South African businesses to understand the extent of the gap and the impact it holds, thereby allowing for targeted remediation efforts to continue to be developed and to shed light on the consequences of employee job dissatisfaction.

1.3 Research Problem

According to the World Economic Forum (2017) global gender gap report, South Africa is ranked 19th across the four sub-indices and when looking at gender income disparities and suffers a widening gender gap for similar work and estimated earnings. Although a plethora of legislation exists globally relating to gender pay equality, the purpose of these laws simply argues that when men and women are doing equal work that they should receive equal rewards for it, and that this should not be based on any individual or group characteristics (Bussin & Nienaber, 2015).

Despite the Constitution of South Africa which addresses non-discrimination against race, sex, disability status, sexual orientation, age, religious choice, and despite South Africa

having strong legislation in the form of the Employment Equity Act's Section 6(1) and the internationally recognised Code of Good Practice on Equal Pay/Remuneration for work of Equal Value, which seeks to promote the correct implementation of remuneration equity in the workplace by employers (Employment Equity Act,1998), pay disparities amongst the genders continue to exist.

The StatsSA (2016) labour market dynamics report found that men earned more than women in both reporting years 2010 and 2015, and that the gender pay gap amongst the top 5% of earners increased from R 5,000 in 2010 to R 8,000 in 2015. In other StatsSA data, women compose 51% of the population and account for 45.1% of the country's workforce (StatsSA, n.d.), yet they earn 15% to 17% less for doing the same work as men (Bussin & Nienaber, 2015). Kahn and Louw (2011) confirm that by involving women in the labour market, the skill shortage experienced in South Africa can be reduced. According to the Institute for Women's Policy Research (n.d.) if gender pay gap reforms continue at the same slow pace it has been for over 50 years, it would take 41 more years for women to achieve pay parity, and for women of colour even longer.

On average women earn less and live longer than men, this is a consideration for governments to evaluate (The Banking Association South Africa, 2014). Women are automatically at a disadvantage when it comes to retirement as they may not be well prepared, given their reduced earnings during their work tenure due to family care responsibilities (England et al., 2016). The pay gap results in lost opportunities in revenue for the economy from personal tax, an opportunity loss for a decrease in the amount paid out in welfare grants, and a severe shortcoming in aiding women to provide for their own retirement thereby further increasing state burden (Budig & England, 2001; Wild, 2017).

This research contributes to adding knowledge on pay inequalities and how this contributes to low job satisfaction. With low job satisfaction comes low employee morale, low motivation, low productivity, poor work quality, resignations, and high absenteeism (Alessandri et al., 2017; Bloom & Michel, 2002; Card, Mas, Moretti, & Saez, 2012; Sawitri et al., 2016; Tschopp et al., 2014) and therefore needs to be fully addressed so that employees can fulfil their full competence and contribute to the development of the economy. Further, addressing the gender pay gap assists in attraction and retention of talented resources, improving organisational commitment, increasing organisational

growth, increasing earnings, and by addressing the gender inequalities with reference to pay, assists the organisation in improving their reputational brand (Sawitri et al., 2016; Wild, 2017).

While there are studies that have been performed on gender pay gaps, the issue still persists, and further research is therefore required. Studies relating to gender pay gaps and the impact on job satisfaction have not been extensively concluded for the South African market, this study therefore aims to fill this void, by adding to the small body of knowledge in this area. The study aims to shed light on the contributors of the gender pay gap, the unconscious biases that still play out in organisations, and the impacts these have on job satisfaction levels. Should these aspects not be understood, the problem of gender pay gaps will persist and the impact on employee job satisfaction will not be addressed sufficiently. The pay gaps ultimate impact on individual growth, organisational growth, and GDP growth holds the real importance for this topic to be studied further.

1.4 Research objectives

The objective of this study was to gain a deeper understanding of the constructs of gender pay gaps and job satisfaction. Thereafter an understanding of the employers' views of gender pay gaps in the South African labour market was sought, so that the researcher could gauge the extent of knowledge in this area, be it tacit or overt.

Upon assessing the knowledge depth on gender pay gaps, the objective was to determine if one gender was preferred over the other in the labour market and to determine which gender that may have been. The reasons for that preference which may have led to better treatment when compared to the remaining gender was the ultimate objective in this area.

Finally, the research study undertook to understand the impact on job satisfaction when unfair treatment, in terms of pay, against one gender was evident. In summary, the research aimed to:

- identify if gender salary inequalities exist in the South African labour market;
- understand if the female employee is unfairly treated; and
- understand job satisfaction levels of employees when pay gap perceptions exist.

Chapter 2 provides a theoretical approach to unpack the constructs of gender pay gaps and job satisfaction and draws links to the existence of perceptions, psychological contract breaches, and how these correlate to job satisfaction.

Chapter 3 describes the research questions derived from the literature review and from the purpose of the study as noted earlier. In Chapter 4, the selected research methodology is described and the rationale for this choice is presented. Chapters 5 and 6 provide and discuss the results respectively, followed by Chapter 7 which provides a conclusion to the research study.

CHAPTER 2. Literature Review

2.1 Introduction

Pay gap inequalities and disparities have been in the labour market since the start of paid work for women (Bosch, 2015) and hence the topic of gender pay gaps has been extensively researched. This research has spanned academic disciplines and geographies; these are psychology (Bono, Judge, Patton, & Thoresen, 2001; Witt & Nye, 1992) economics (Card et al., 2012; Charness & Kuhn, 2007; Zafar, 2013); management (Cavender, McGee, & Petty, 1984; Huseman, Hatfield, & Miles, 1987) and sociology (Weinberger, 1998) and still remains an issue that continues to be tracked by the World Economic Forum. The gender pay gap problem is not foreign to the South African labour market either (Steyn & Jackson, 2015), South Africa ranked 19th across the four sub-indices of the 2017 Global Gender Gap Report when comparisons of gender income were completed (World Economic Forum, 2017).

Awareness of social inequities and specifically structural drivers of gender wage issues have been researched over decades, most notably are the works of Blau and Kahn (1997, 2000, 2006, 2013, 2017); Budig and England (2001); England et al., (2016); Goldin (2014); Goldin and Katz (2012); Hodges and Budig (2010); Montgomery and Powell (2003) and Morton and Blair (2018) who all note that there are various barriers for women advancement which could be contributory to the gender pay gap phenomenon. Although globally, long term trends have shown a decline in the gender pay gap especially after 1975, the rate of decline has been painfully slow in the new millennium (Blau & Kahn, 1997).

The pay gap concerns remain a heightened agenda item for many global governments. The United Nations (U.N.) have adopted the sustainable development goals to achieve inclusive economic growth, one of these goals is to close the gender gap (D'Andrea Tyson & Klugman, 2016). While various pieces of legislation exist, the pay gap phenomenon persists. United States (U.S.) legislation in the form of the Equal Pay Act was passed in 1963, yet when an analysis of the U.S. gender pay gap was performed by Blau and Kahn (2017), using data from 1980-2010, the gender gap was still prevalent some 45 years later. South Africa has legislation in the form of the Employment Equity Act's Section 6 (1), which makes the requirement of equal pay for equal work, yet South Africa's pay gap is estimated to be between 15% and 17% (Bussin & Nienaber, 2015). Women are not well represented

in management positions in the South African labour market (Research Focus, 2009), and should be as empowered as their male counterparts, this is not only on the employment integration area but also relates to economic empowerment; having the right to equal income levels when compared to men (Doomen, 2013).

The United Kingdom (U.K.) have legislated the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 No. 172, wherein it is stated that all organisations with 250 employees or more must have reported their gender pay statuses, this was required as a first submission by 30 March 2018. From the 2017 financial disclosure data made by U.K. organisations, significant negative pay gaps for the mean hourly rates paid to women were revealed, this was notable across most industries, while some reported minor or positive differences. The sample of the evidence of the pay gaps is presented in Table 1.

Table 1. *Mean Pay Gap Differences Between Men and Women in the U.K.*

Industry	%
Financial services	
HSBC Bank PLC	-59.0
Standard Chartered Bank	-30.4
Lloyds Bank PLC	-37.6
Mining	
Imerys Minerals Limited	-9.9
Shell U.K. Limited	-19.2
Hargreaves Surface mining Limited	-14.3
Manufacturing	
Siemens Healthcare Diagnostics Manufacturing Ltd	-17.6
Coty Manufacturing U.K. Limited	-2.2
Toyota Motor Manufacturing (U.K.) Limited	+8.0
Professional scientific and technical activities	
British American Tobacco (Investments) Limited	-26.0
Knights Professional Services Limited	-36.0
Ingleby Services	-25.0

Note. Compiled using 2017 financial disclosure data made by U.K. organisations (*Gender pay gap service Gov UK, n.d.*)

Equity theory purports that employees who may believe they are under-rewarded and who also assign more energy to pay inequalities will perceive the gender pay gap more than the other employees will (Khoreva, 2011). This research study investigates the link between gender pay gaps and employee job satisfaction. Reward and compensation not only impact an employee's motivation, their turnover intent, their effectiveness, the effort they exert

towards their job and their impact on peers, but also their job satisfaction (Gupta & Shaw, 2014; Hofmans, De Gieter, & Pepermans, 2013; Kabungaidze, Mahlatshana, & Ngirande, 2013; Larkin, Lamar, & Gino, 2012). Khoreva also notes that perceived gender pay gaps may cause employee “frustration, job dissatisfaction, poor performance and ultimately low productivity and profitability” (Khoreva, 2011, p. 243).

This literature review provides details of what has been learnt about pay gaps, some of the variables of job satisfaction, and the relationship between gender pay gaps and job satisfaction as illustrated in Figure 1.

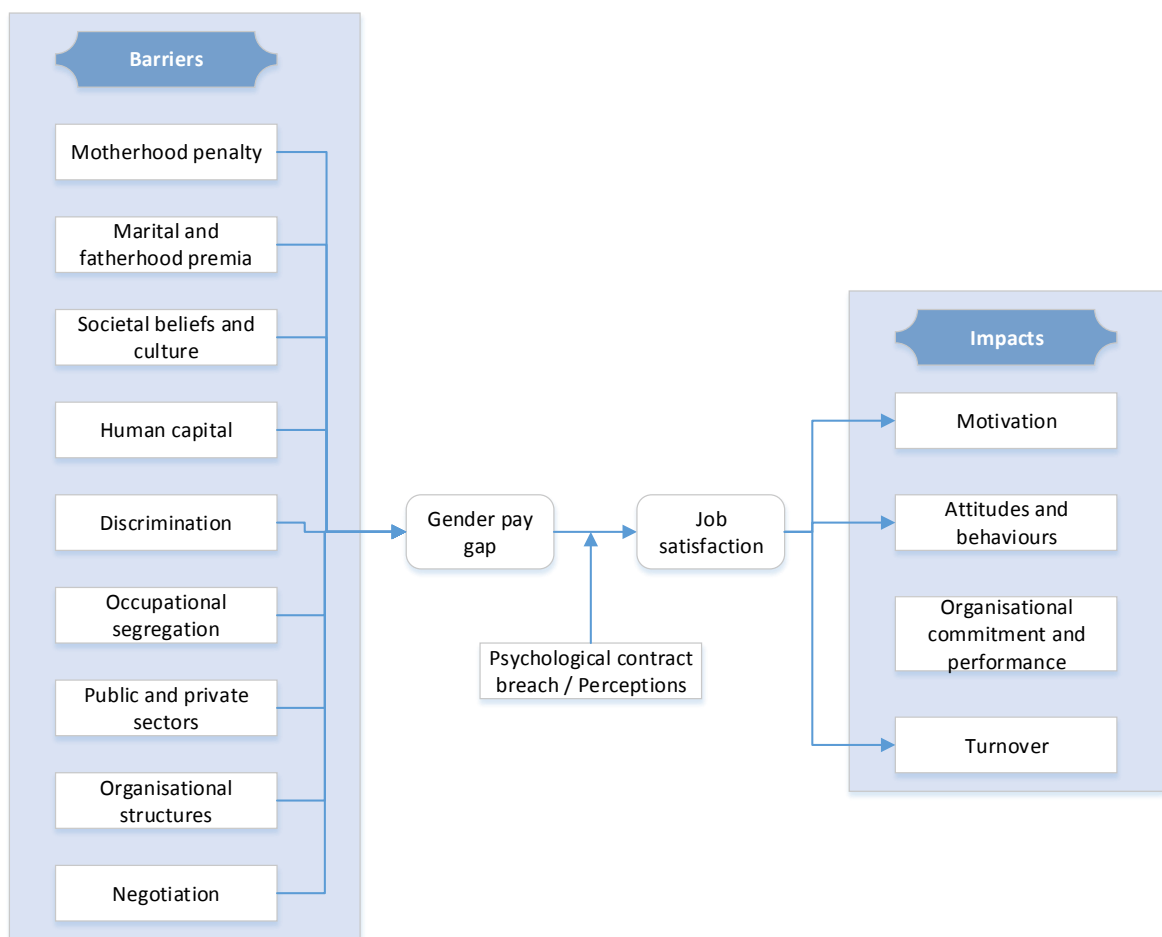


Figure 1. *Structure of Literature Review*

Source: Authors own

2.2 Gender pay gap and the barriers to advancement and equal rewards

Gender pay gaps can be attributed to the following factors, some interrelated, some arising due to organisational themes, others to external factors and according to new theory, some attributed to psychological attributes and non-cognitive skills (Blau & Kahn, 2017). While many studies have investigated and attributed the gender pay gaps to human capital variables of level of education, experience and job tenure (Montgomery & Powell, 2003; Wiswall & Zafar, 2015; Zafar, 2013), there are other variables that are also contributory to the pay gap phenomenon, such as breaks in work service due to care responsibilities (Goldin, 2014), discrimination (Steyn & Jackson, 2015) and occupational sex segregation (Gneezy, Niederle, & Rustichini, 2003) where women are socialized to take on jobs that are more in line with care giving and are flexible in nature to allow for their husbands/partners to take on more demanding and higher paid jobs (Giapponi & McEvoy, 2005). This section will delve into the academic theory of many of these aspects and more.

2.2.1 Motherhood penalty

Petersen, Penner and Høgsnes (2011) noted that processes that happen in the family are possibly the core obstacles of gender equality in the workplace, this concept has been corroborated by many scholars, as this literature review will show. Household and family care responsibility primarily falls on the female, be it for the care of an elderly family member or for the care of young children. It has been noted by some scholars that women suffer a negative experience in their careers and their compensation when marriage and children are a factor (Azmat & Ferrer, 2017; Budig & England, 2001; Correll, Bernard, & Paik, 2007; Rodgers & Stratton, 2010). As early as 1998, scholars, the likes of Waldfogel (1998) reported that between 40% and 50% of the gender wage gap in the U.K. and U.S. was due to family status (the practices of marriage and having children), and in the U.S. another 30% to 40% of the gender wage gap was due to the loss of labour force experience. This variable of household and family care responsibility is referred to as the “motherhood pay penalty” in the U.N. Secretary-General's High-Level Panel on Women's Economic Empowerment Report (2016), the alternative is referred to as the “fatherhood premium”.

Budig and England (2001) note five possible explanations why mothers may earn less than

other women: 1) loss of experience when on maternity leave and post maternity leave, 2) decreased productivity due to demanding child care responsibilities leaving mothers exhausted, 3) trading high end jobs for more mother friendly jobs which offer lower wage, 4) discrimination from employers, and 5) women of lower earning potential have children at higher rates. Similar findings were made by (England et al., 2016) who noted that white women, the most privileged of women, suffered significant penalties when time taken for child rearing and child care where a factor in their tenure.

The gender wage gap can be considered to start at the very beginning of the hiring cycle. Blau and Kahn (2013) noted that increasing costs associated with employing female employees, especially of child bearing age, could contribute to the lack of employment of this category of women, and where this category of women is hired, they may be offered lower pay. Petersen, Penner and Høgsnes (2014) made a similar finding, where they stated in their article that while the effects of marriage on career and compensation are positive for women, employers may pay women less or hire them at lower rates, due to motherhood discrimination.

In the U.S. it was noted in studies by Anderson, Binder and Krause (2002) and Budig and England (2001) that the wage penalties for women having two or more children could be as high as 15% to 20% whereas in Scandinavia these penalties are lower, approximately 2% to 10% (Davies & Pierre, 2005; Harkness & Waldfogel, 2003). From a research report produced for the Finance and Accounting Services Sector Education and Training Authority [FASSET] in South Africa, a 7% economic penalty per child is carried by professional women who are mothers (Research Focus, 2009). The impact of motherhood and family responsibilities has inevitably caused women to earn less than men and this period either away for a long term or returning with shorter working hours has contributed to the pay gap concerns globally.

When women start families, they tend to prefer part time work or flexible work options, some even take a period of extended leave, post their maternity leave. Azmat and Ferrer (2017) noted that women reduce their job performance due to the demands of motherhood, this is a contributing factor to women's lower hourly earnings than men's. The gender pay gap, under this lens of exiting the labour force for childrearing, as noted by Budig and England (2001) is also due to the loss in wage growth during the time away. Azmat and Ferrer

(2017) noted in their article on gender gaps in performance amongst young lawyers, that women tend to carry a larger share of childrearing responsibilities, and therefore their billable hours are smaller when compared to their male counterparts. The study found that male lawyers with young children did not experience billing of approximately 200 hours decreasing per year, while female lawyers with young children did experience this.

New ways of working can also perpetuate the gender wage gap, Cha and Weeden (2014) state that in their study over the period 1979 to 2009, a convergence of the U.S. wage gap was seen over the 30-year period when looking at the hourly pay, this convergence was attributed to “overwork”. Overwork in the U.S. context was defined as working more than 50 hours per week. In this study, it was found that predominantly men in managerial positions would experience this overwork syndrome, however this has become the new way of working for this level of employment and has intensified the gender pay gap by 10%. When analysing this scenario, it is not an unfamiliar concept in South Africa either, women professionals in the South African financial and accounting services sectors account for approximately 48% of professionals, however only 38% of management. (Research Focus, 2009). A decline in the number of Black women managers has been experienced during the period 2012 – 2015, with Black women making up 8.4% of the total percentage of senior women in banking (The Banking Association South Africa, 2017). This could be attributed to men being more experienced or qualified, or could this be attributed to men being more present?

Goldin (2014) asked a critical question of how does the gender gap close, what is needed to bring gender equality? Her answer to this was not that women need to improve their negotiation skills, increase their confidence, make men more responsible in the home, or even government intervention but rather she suggested that changes in the labour market are needed. These specific changes are changes to the structure of jobs and the remuneration that will enhance temporal flexibility. She further stated that “gender gap in pay would be considerably reduced and might even vanish if firms did not have an incentive to disproportionately reward individuals who worked long hours and who worked particular hours” (Goldin, 2014, p. 1). Goldin (2014, p. 26) goes on to further state that “the gap exists because hours of work in many occupations are worth more when given at particular moments and when the hours are more continuous. That is, in many occupations’ earnings

have a nonlinear relationship with respect to hours. A flexible schedule often comes at a high price, particularly in the corporate, financial, and legal worlds.”

In the absence of motherhood responsibility disruptions, men can afford to commit to more than 40 hours a week and to have an unbroken service period, given their reliance is on the female, who, as already stated above, is the primary care giver. Statistically this has been verified by StatsSA (2016) where it was noted in their labour market report that between the two genders, over the period 2011 to 2015, a higher proportion of male employees exceeded the 40-hour work week when compared to female employees. Joshi, Neely, Emrich, Griffiths, and Gerard (2015) make a claim that as more women enter and return to the workforce, the subject of work-family balance and pregnancy, and social roles as motherhood continues to have a significant impact on women’s work lives.

2.2.2 Marital and fatherhood premia

Scholars have described the phenomenon of fatherhood premiums in the labour market (Budig & England, 2001; Glauber, 2008; Goldin, 2014; U.N. Secretary-General’s High-Level Panel on Women’s Economic Empowerment, 2016), where starting families seems to have a gendered effect on married couples; specifically, there is a negative effect for mothers and a positive effect for fathers.

In the U.S., on average, moderate wage increases are evidenced when fatherhood is an evident factor in an employee’s life. This fatherhood premium is estimated to be between 3% and 10%, dependent on specification of models used and the population (Hersch & Stratton, 2000; Glauber, 2008 and Hodges & Budig, 2010). Rodgers and Stratton (2010) note that for men the marital premium in the U.S. could be as high as 15%. In Scandinavia, Gupta, Nabanita and Stratton (2007) noted that the marital premium for men is lower at 6% or less. This fatherhood premium widens the gender pay gap especially when considering the motherhood penalty and the various other constructs that are attributed to the gender pay gap, like organisational structures of pay secrecy and pay for performance.

Fuller and Cooke (2018) noted that there may be three dimensions to the fatherhood premiums that are evidenced in the workplace. First is that fatherhood may be more motivating given the difference in earnings capacity for men and their partners choices for

employment. Fatherhood motivates men to work harder and be more productive. Kmec (2011) found that men are motivated by providing for their home responsibilities and therefore this makes them work harder at their job, whereas Budig and England (2001) note that motherhood has the effect of decreased productivity on women due to demanding child care responsibilities which leave women exhausted. Killewald (2012) had the same hypothesis as Kmec (2011), stating that behavioural changes in men after becoming fathers may be a contributing factor that promotes wage-earning, this is because fatherhood is a transformative process. She further noted that feelings of responsibility have been coupled with fatherhood and this motivates men to abstain from socially poor behaviour (e.g. crime and drug use). Perhaps through the feeling of responsibility, job tenure has also seen to be increasing with fathers (Millimet, 2000), and with tenure an increase in wage is often followed. Killewald (2012) continued to say that tenure, responsibility, and behavioural changes may not necessarily occur as soon as a man becomes a father, they may be gradual changes, however these factors may lead to higher wage earnings on average when being a father, as compared to when not being a father.

The second dimension is that of unmeasured characteristics; men being more dependable, sociable, conscientious, or industrious. These personality traits according to Petersen et al., (2014) can be considered under a “selection hypothesis” and are the characteristics that employers and prospective wives find appealing. Petersen et al. (2014) make the bold statement that marriage does nothing to increase men’s productivity, given these characteristics of productivity were present before marriage and before fatherhood.

The third dimension is that of employer bias towards men. Petersen et al. (2014) note that employers may make conscious or unconscious decisions that favour married men over women, this may be due to societal norms or due to statistical discrimination (later discussed under 2.2.4 Discrimination) which create perceptions that married men are better or more dependable employees.

There are also some other simple explanations that contribute to the marital and fatherhood argument; once becoming a father, a man may move to a higher-paying job due to increased expenses of raising a family, or a man may benefit from an ordered lifestyle allowing him to spend more time at work, or a man may increase his investment in education while being married (Killewald, 2012). Gneezy et al. (2003) made the same observation

that men invest in their human capital and therefore enjoy the successes of diversified occupations. All these variables imply higher reward and compensation.

2.2.3 Societal beliefs and culture

The transference of customary beliefs of ethnic, social, and religious groups from one generation to the next, is described in this study as culture (Guiso, Sapienza, & Zingales, 2006). Gender culture refers to the roles that men and women hold in society, in their homes with their family responsibilities and in the labour market, and how society evaluates these roles (Campa et al., 2010). As per Campa et al. (2010) gender culture could impact female labour market participation rates. Gender culture is also understood by the descriptor, gender roles and beliefs, and in Sweet et al. (2016), the study noted that gender itself may not matter in career centrality as much as the belief held by society on what roles women and men should hold. Gender roles will vary across cultures and therefore the gender gaps can be perceived differently across countries. In certain welfare states women may still be considered a secondary citizen or second earner, should this be the case the citizens that believe or follow that regime may then impose these values when rewarding and paying their female staff, thereby contributing to the gender pay gap (Khoreva, 2011).

England et al. (2016) notes that the family demands, and the requirements as noted in gender roles for motherhood, may limit a women's desire to join or progress in the labour market. It is also researched and noted that women's ability to negotiate salaries as strongly as men is limited and this could be due to the development of tactical knowledge during childhood (Stevens, Bavetta, & Gist, 1993). The societal impositions placed on women (Campa et al., 2010) and the very nature of the way girls are raised may be a contributory factor as to why women experience the gender pay gap; either due to occupational segregation, discrimination, or poor negotiation.

From an Ipsos survey completed in May 2017 related to the perceptions of South African women, it was noted that while historically the paternalistic ideas and related cultures have often viewed women to be inferior or less worthy than men, the survey results for 2017 showed improvements in the perceptions (Ipsos, 2017). This is a progressive shift towards gender equality as the shift in the mindsets of South Africans start to move towards a new view of women and their place in society and workplace (Ipsos, 2017).

Another argument to the care responsibility theme has been made by the National Bureau of Economic Research (2013), who said that women who earn more than their husbands, may appear threatening and are therefore more inclined to engage in more household and child care responsibilities (National Bureau of Economic Research, 2013). This is due to the societal norms that are understood by “a man should earn more than his wife” and the understanding of divorce rates increasing when women are the higher earners of the household (Bertrand, Kamenica, & Pan, 2015, p. 24).

2.2.4 Human capital

Aspects of human capital, gender, race, age, and education have been argued by many scholars to be contributory factors to the gender wage gap (Garcia-Prieto & Gómez-Costilla, 2017; Gneezy et al., 2003; Goldin, 2014; Montgomery & Powell, 2003; Steyn & Jackson, 2015; Wiswall & Zafar, 2015; Zafar, 2013). While some academics have attributed the pay gap to gender differences in preferences Zafar (2013) and Goldin (2014) provides a summary of the changes and progress in what she refers to figuratively as the earlier chapters of the gender gap concern in the U.S. Her summary concluded that women’s education increased more than it did for men, more importantly it also changed in content moving away from secondary and college education to investment-oriented courses. She further notes that women’s enrolment for professional and graduate programs increased, so much so that approximately half of all law and medical enrolments were by women; and women progressed in the fields of biological sciences, pharmacy, optometry, and veterinary medicine (Goldin, 2014). She described this as the grand gender convergence.

The U.S. has experienced a reversal of the gender gap, specifically when looking at education as one of the variables of the gap (Blau & Kahn, 2017). An increase in women labour market qualifications has been seen in the U.S. over the period 1980 to 2010 (Blau & Kahn, 2017). Coupled with this finding, the article also noted that during the period of study the experience gap had fallen from seven years that men held in 1980, to 1.4 years in 2011. This empirical study therefore had shown that women in the U.S. have made tremendous gains during the period of study; the reversal of the gap on education and the decrease in the market experience gap, two of the rudimentary human capital variables in gender pay gaps.

Giapponi and McEvoy (2005) however noted that although some women may be better educated, they are still not protected from the gender pay gap issue, their study extended over the years 1963 to 2003 and found that the pay gap persists, further they conclude that the pay gap issue must be a priority for business, government, and society, if it is to be remediated. This was affirmed with Garcia-Prieto and Gómez-Costilla (2017) who noted that men still experienced a higher return when compared to women, specifically in the area of education and more importantly this was evident regardless of the education level reached.

2.2.5 Discrimination

Types of discrimination vary with unconscious bias being one of the strongest constructs. Social science has given rise to a plethora of literature on unconscious bias, which relates to the human cognitive processes of receiving, translating and storing information. These processes are implicit and often automatic, where mental associations are made spontaneously (Marvel, 2016). The human brain takes shortcuts in processing information and therefore receives information and aligns it to previous beliefs, thereby stereotyping, which causes discrimination (Lee, 2005). To this end the gender gap may be attributed to employers' observations of candidate's observable human factors or their educational qualifications, a type of stereotyping which gives rise to discrimination. Joshi et al. (2015) note that while there has been a shift from overt to covert bias in the Western world, in other parts of the emerging markets, like India, overt biases remain a significant factor that discriminates against women. This has been directed to the lack of discriminatory laws which therefore allows employers to ask about family, age, socio-economic background, and marital status during the hiring process.

Ruderman, Ohlott, and Kram (1995) note that cognitive biases play a large role in discrimination related to promotions being awarded to female staff, this is due to most people having a preference to work with other people that they perceive are similar to themselves, who they identify with and possibly who they can build rapport with and predict behaviour of. Therefore, given that organisations were created many years ago by groups of homogenous people, employees who are different to this group may be stereotyped against. Blau and Kahn (2017) note that discrimination based on psychological attributes

and non-cognitive skills cannot be discounted in the study of gender differences in occupation and across industries. Cumming and Rui (2015) noted that efforts for training and education by organisations, specifically human resources teams, to educate staff on covert biases will aid in the progress towards non-discrimination in the workplace.

Cognitive biases can extend to the use of flexible work arrangements which is geared mostly towards women, specifically women who have care responsibilities. Men hold higher status jobs with more seniority and are considered trusted employers and therefore have a level of flexibility in their work hours (Williams, Blair-Loy, & Berdahl, 2013). While many organisations offer flexible work arrangements, including reduced hours and part time work, there is a stigma attached to the use of these arrangements, where employees fear the negative repercussions on their careers. Resultant wage penalties, lower performance evaluations and fewer promotions have all been founded to be the effects of exercised flexible arrangements (Williams et al., 2013).

Blau and Kahn (2006) noted that there was a slowdown in the convergence of gender pay gaps in the U.S. over the period 1980 to 1990, one of the reasons for this was increased progress on labour market discrimination against women during the 1980's than when compared to the 1990's. Discrimination in the labour market however persisted, as was seen in the Morgan et al. (2013) article where four areas of stereotypical behaviour; incompetence, lack of commitment, inflexibility, and need for accommodation were investigated and pregnant applicants were discriminated against and received more interpersonal hostility than nonpregnant applicants.

Many employers use a job applicant's human capital observable characteristics (race, gender, attainment of a degree) as a decision factor for that prospective employee's ability and motivation (Montgomery & Powell, 2003). While these authors note that this is signalling theory, there are many other academics who refute this or believe validity in other constructs of discrimination. Mandel and Semyonov (2014) noted that human capital factors and personal attributes of an employee had a small part to play in gender pay gaps, while Steyn and Jackson (2015) stated that perceptions of discrimination are more related to a psycho-social process than actual differences in education, tenure, and family responsibility. This point was made after performing a study of human capital information for 1,740 employees, with the objective of assessing the differences of male and female job

gradings and remuneration.

Budig and England (2001) refer to economists distinguishing between two types of discrimination, one of taste and one of statistical discrimination. Taste simply refers to employers finding the employment of mothers to be distasteful and the model does not look at the females' productivity levels. The statistical discrimination element refers to the costs of information when screening prospective employees. Here measuring productivity is expensive so employers use averages based on informal or formal data gathering to determine how productive employees would be. On this basis women with children, or more children may be treated less favourably than a male candidate (Morgan et al., 2013).

In Montgomery and Powell (2003) statistical discrimination theory purports that employers may also use characteristics of a prospective employee, like race or gender, as signals of that prospective employees' future productivity. The same study noted that women with advanced degrees, e.g. MBA, are more likely to experience less discrimination in the work world. These discriminatory observations are used to award jobs to candidates and to award wage premiums. The authors noted that a job applicant or employee that holds a degree is thought to be more productive irrespective of their actual productivity levels being measured.

While education largely remains a discriminatory factor, race continues to be a discriminatory aspect in the hiring and reward process. The Institute for Women's Policy Research (n.d.) states that while it would take up to 2059 for U.S. women to reach pay parity, it would take up to 2149 for Black women to achieve equal pay. This construct of discrimination significantly contributes to the disparity in education levels in the country, not only on a racial plane, but also on a gender plane (Anderson, Case, & Lam, 2001).

From the U.S., similarities could be drawn across other regions where historic oppression regimes have produced similar results. South Africa is a country that suffers from the perils of the old apartheid regime where educational opportunities were denied to Black people during the era of oppression. This has created a problem with low education levels within the largest racial group in the country, thereby impacting the labour force participation rate of Black people within the formal sector. From a 2015 study performed by StatsSA, it was confirmed that unemployment in the country is severe, and is prevalent with those citizens

that have low education, less than a matric, and is generally seen with the youth and women, it was also noted that Black South Africans that were unemployed equated for more than 85% of the population over the period of the study (StatsSA, 2016). The labour market review conducted by StatsSA confirmed through their analysis that the gender wage gap continues, and the earnings of the white population continues to be more than three times the earnings of black Africans (StatsSA, 2016). When comparing to similar economies, Dah and Fasih (2016) confirmed that the gender wage differentials over the period 2008 to 2014 in the Lebanese banking sector were attributed largely to discrimination as well.

In the South African labour market, it was highlighted that men were entitled to higher benefits than women, this was seen in the case of paid sick leave where the gender gap equated to 2.2% and with medical aid benefits, 30.2% of men were entitled while only 28.6% women were entitled, proving that discrimination persists across the genders in various forms (StatsSA, 2016).

2.2.6 Occupational segregation

The occupational segregation variable in the gender pay gap argument is attributed to segregation theory. Simply put, this theory says that pay differentials can be explained by women being paid less for work than what men would be paid, for that same job. Flynn, Leeth and Levy (1996); Goldin and Katz (2012); and Jagsi et al. (2006) stated that even in professions that are thought to be more female-oriented, like medicine, accounting, and pharmacy there is evidence of gender pay gaps and an underrepresentation of women in senior positions.

Matsa and Miller (2013) also noted that female representation at Board level was low across industries. The Soares, Combopiano, Regis, Shur, and Wong (2010) Report on female representation at the largest companies in the U.S. revealed that 14.4% of women held executive positions at Fortune 500 companies and 7.6% of women held top earner jobs. The study by Bertrand and Hallock (2001) containing data relating to the salaries at U.S. firms for the period 1992-1997, showed that the gender pay gaps amongst the middle level of management and the top level of management was approximately 46%. Cumming and Rui (2015) noted through their study that increased diversity and inclusion of females at Board level, reduced the risk of fraud, due to women being more risk averse, ethically

inclined, nurturing, less over confident than men, and also created a space for categorization which could lead to internal conflict, reduced trust but therefore increased scrutiny and decreased fraud. Gender diversity at board level, therefore not only reduced business risk but also allowed for diversity in thought and a broadening of the talent pool implying an increase in talent for the board itself. Post and Byron (2015) agreed with this and noted through their study that firms with higher female board representation have higher positive accounting returns.

Supply side factors reason that occupational segregation is a function of human choices towards occupations, whereby care responsibilities drive women's decision making in the choices of occupations they seek. To this end, various scholars have published articles confirming the same. England et al. (2016) noted that motherhood may lead women to choose "mother-friendly" jobs that do not necessary pay as much as their pre-motherhood jobs did. This theory is aligned to the theory of human capital, women may choose roles that are more suitable to their family life and status in their home. Research performed by Gneezy et al. (2003) shows that women shy away from competitive occupations whereas men are drawn to them and thrive in a competitive work environment. Buser et al. (2014) confirmed in their study that girls were significantly less likely to choose prestigious study profiles in high school, prestigious was defined as science and math profiles, even though girls were capable of successful outcomes given their GPA results. The same finding was made with university students. This could be attributed to societal upbringing or the investments made by men in their own development. Blau and Kahn (2000) note that women may choose not to apply for jobs that require investments for a skill that is specific to that organisation or sector, due to the rewards being directly linked to the employee staying with that organisation. In Azmat and Ferrer (2017), it was noted that young lawyers also displayed gender differences in their career aspirations, with 60% of the male lawyers confirming aspirations to be an equity partner and only 32% of female lawyers confirming the same.

Given that the human capital model suggests that women accumulate less experience than men, Blau and Kahn (2000) propose that experience, regardless of gender then contributes to the gender pay gap.

Demand side on the other hand says that organisations offer jobs to women, which may be

considered discriminatory in nature, due to the organisation having preconceived ideas of what is best suited for a female employee. This contributes to the limitation of job type offerings to women (Figueiredo & Botelho, 2013). Blau and Kahn (2000) note that some employers may not offer job contracts to women who require organisation funded training to fulfil a role, this is due to the employer's sceptic belief that the organisation would not achieve their return on investment. Demand side job limitations may therefore have an impact on psychological attitudes of employees.

Blau and Kahn (2017) noted in their study that psychological attitudes have an impact on the gender pay gap, in so much as the context that they are related to or experienced in, e.g. if women are only ever hired for administrative type work, their aspirations may be curbed to only aspire for administration type jobs and this will perpetuate the gender wage gap. Blau and Kahn (2000) noted that previously (pre-1970's) a salient feature of women's labour participation was that they worked in a small number of low paying jobs, and were generally working in traditionally female professions or fulfilling administrative support roles. This trend then changed and there was an increase in female participation in what was considered more male oriented jobs, however this long-term reduction in occupational segregation that was evident through 1970 to 1990 has slowed down, and little progress has been made for females in blue collar jobs. Blau and Kahn (2000) similarly noted with the human capital model that the higher premiums paid to workers in male oriented sectors would continue to contribute to the gender pay gap.

2.2.7 Wage gaps in public and private sector

There are differences in the private sector recruitment and compensation plans when compared to the public sector, these differences have been noted in the works of and Vaughan-Whitehead (2013). Mandel and Semyonov (2014) noted that the public sector is a preferred sector for women and minorities due to the greater commitment this sector has in applying universal policies on recruitment, promotion and pay. Due to the universal policies on pay and promotion, it is therefore understood that gender pay gaps are less prominent in the public sector than in the private sector. The authors also noted that the public sector is more bureaucratic and regulated in their employment practices than the private sector and is therefore a more protected employment sector. This protection is in the form of affirmative action practices that are applied for women and minorities, and

therefore provides greater employment opportunities for these groups.

While Mandel and Semyonov (2014) noted that there is a prevalence of women being attracted to professional jobs in the public sector, which offer high earnings and status, more so than in the private sector, Vaughan-Whitehead (2013) noted that previously there was a wage premium for public sectors workers, these were due to the recognition that the public sector attracted the most educated staff and additionally due to longer length of service, however this trend has changed and there appears to be a wage penalty for public sector employees in Europe, post the financial crisis of 2008. Vaughan-Whitehead does however note that the differences in pay between the top and lower employment levels in public sector is smaller than what is seen in the private sector employment statistics.

2.2.8 Organisational structures

Organisations follow internal frameworks for reward and compensation, these frameworks broadly include, but is not limited to policies on pay secrecy, open pay, promotion, and salary awards for new hires.

Pay secrecy or confidentiality refers to the rules, policies or practices that are imposed by employers onto employees and are either included in formal workplace policies (e.g. code of conduct handbooks or employee ethics handbook) or may be conveyed through informal mechanisms to employees (Bierman & Gely, 2004; Edwards, 2005). These policies, rules and practices strictly prohibits employees from discussing or sharing information about their earnings with co-workers (Bierman & Gely, 2004; Edwards, 2005). Giancola (2014) describes the open pay systems as those that provide the employee with more details on pay policies and may include actual salary ranges, employee's then feel their pay is equitable and this improves pay satisfaction and motivation which shows in employees doing their best work.

Social norms dictate in certain instances that discussion of a person's salaries is inappropriate (Giapponi & McEvoy, 2005). Pay secrecy policies are less administrative to organisations and demands less time and effort from pay administration personnel, it does however provide a leeway for gender pay gap discrimination according to Giapponi and McEvoy (2005). This was agreed by Kim (2015) who also stated that pay secrecy

contributes and can perpetuate the gender pay gap. Giapponi & McEvoy (2005) noted in their study that according to the 2001 National Committee on Pay Equity results, pay secrecy was understood to be one of the highest ranked reasons for the gender wage gap. Women may not be aware of their earnings being lower than their male counterparts and therefore do not value their contribution as highly due to their inability to accurately assess their pay (Giapponi & McEvoy, 2005).

Pay secrecy rules are a contributor to gender pay gap issues, and as confirmed by Belogolovsky and Bamberger (2014) pay secrecy has a negative adverse effect on employee's intention to stay and their performance levels. While pay secrecy can promote job dissatisfaction levels, Card et al. (2012) showed that the causal impacts of the revelation of co-worker's salaries had different impacts on job and pay satisfaction, dependent on where the employee lay in terms on the median salary in his department or occupational group.

Open pay systems however do not always result in employee satisfaction, because with increased access to information, employees become privy to the biases and inconsistencies that may exist in the pay system (Giancola, 2014). Heywood and Wei (2006) noted the same double-edged sword of open pay systems. Most job postings are not transparent about the compensation linked to that job, thereby limiting the negotiating power the applicant has (Giapponi & McEvoy, 2005). For companies holding salaries to secrecy rules, Card et al. (2015) reveals a decline in employees' aggregate consumption and income earnings. The study also reveals that forcing employers to reveal salaries may have impacts on political aspects, due to the psychological experiences of the employee, specifically feelings of envy and fairness. The transparency of salaries therefore may lead to employees becoming despondent or it may create an intent to leave, however as noted by Downes and Choi (2014), clear and open communication on salary structures aids in allowing employees to feel respected by their management teams.

Shaw and Gupta (2015) note that employees experience negative reactions and are not happy when arbitrary or unexplained decisions regarding their rewards are made. Shaw and Gupta (2007) noted that communication related to pay systems will improve employees' perceptions of legitimate reasons for pay differences. In Kim's study she noted that women who lived in states where pay secrecy laws were banned, reported higher earnings, this

was due to the transparency that existed in the market (Kim, 2015).

Challenging jobs and those that require astute managerial skills are some of the roles that aspiring employees target, promotion to these roles are therefore critical to the career success of an employee. However, Ruderman et al. (1995) note that discrimination against women for these types of roles is most severe. They further noted that women may be offered promotions by their employers only to create a positive appearance of the organisation, however the promotions granted may not be considered vital roles in the organisation.

Kahn and Louw (2011) made the point that men unconsciously appoint other men who are like themselves to top management positions, and this patriarchal move is a key determinant of opportunities and promotions being directed away from women. Historical patriarchies remain a factor that prohibits female advancement in the labour markets, in both public and private sectors.

Gender is integral in wage determination (Karamessini & Loakimoglou, 2007). Adding to the gender pay gap issue is the common practice of organisations awarding pay to new hires based on their previous salaries (Giapponi & McEvoy, 2005). This perpetuates the gender pay gap further and creates difficulty for women to reach the same pay levels as their male counterparts. Women may also be offered lowered salaries to men, as part of human resources practices, because their salaries are viewed as supplemental incomes in households (Giapponi & McEvoy, 2005).

2.2.9 Negotiation and gender differences

Negotiation is understood to be the process between two parties, in this case an employer and employee, it is therefore bi-lateral in nature, confidential and aimed at reaching a consensual agreement between the two parties (Duggan, 2017). Role congruent theory purports that the behaviours that increase positive salary negotiation outcomes are more aligned to men than they are to women (Mazei, et al., 2015). Kray and Thompson (2004) also note that in personality stereotypes, men are more likely to act with assertiveness, rationality, and independence, whereas women are more emotional and show empathy more often. This stereotyping can be linked to men being better negotiators than women.

Bowles, Babcock, and Lai (2007) noted that women, when compared to men, preferred to not initiate negotiations. Kulik and Olekalns (2012) confirmed that women generally negotiate employment terms that are less desirable than men would negotiate and that the gender gap in employment could be attributed to this.

There have been many underlying mechanisms that academics have attributed to negotiation power that a woman holds versus that of men. These vary from men using more skilful negotiation techniques than women and therefore having more successful outcomes in their negotiation processes (Gerhart & Rynes, 1991). Another view is that women exert less effort when negotiating for larger salaries and those that are more persistent receive better outcomes (Bazerman, Magliozzi, & Neale, 1985; Huber & Neale, 1987). A third view is that women may hold lower self-confidence for negotiations of larger salaries (Stevens et al., 1993). More recent studies have focussed on the social impact of women and negotiation efforts. Bowles et al. (2007) and Bowles and Babcock (2013) noted that females who negotiated salaries were penalised to a further degree than men who initiated negotiations, this is due to the social backlash that is imposed by gender role stereotyping. Amanatullah and Tinsley (2013) noted the same, where self-advocating females experienced backlash for negotiations, due to their characteristics being aligned with masculine qualities. The authors further state that women who act agentially are viewed as being competent but not likeable, and those who act communally are likeable but are deemed to be incompetent. This stereotype implies that women would generally be placed in support roles and not leadership roles and there would be expectations imposed of women being givers and not takers. Interestingly Lanaj and Hollenbeck (2015) noted that women should adopt agentic behaviours to overcome bias imposed on them.

If women work in organisations that offer smaller pay premiums or if women earn smaller salaries than their male counterparts working in the same organisation, either due to poor negotiation or being offered a worse pay, the premiums will contribute to the gender wage gap. Some theories state that the productivity of men and women differ and hence the wage premiums offered to men are higher, however Card et al. (2015) state that where there is equal productivity between men and women, women too can strike different wage negotiations with their employers.

2.3 Psychological contracts and its role in the gender pay and job satisfaction argument

Employees expect their jobs to offer a variety of areas of fulfilment; pay, promotion, autonomy, and flexibility amongst other things. When these expectations are largely unmet this leads to a breach in psychological contract and a decline in job satisfaction. Rousseau and Tijoriwala (1998) noted that a psychological contract refers to an individual's belief of mutual obligations that exist between that individual and another party; an employer or an organisation. Rousseau, Tomprou and Montes (2013) and agreed by Aykan (2014) noted that psychological contracts are subjective in nature, and the beliefs of the individual are based on that person's perception that the promise made (e.g. career opportunity) has an exchange consideration (e.g. receiving a pay increase), which then binds the two parties to a set of reciprocal obligations. When these promises or obligations are broken, there is a breach in the psychological contract which can lead to negative organisational outcomes.

Employees reactions to pay dispersions has been explored through numerous studies, where employee's perceptions have resulted in behavioural changes that may affect the firm. Understanding the antecedents of job satisfaction and the related consequences is important for all organisations because a dissatisfied employee could be costly. Rayton and Yalabik (2014) noted that psychological contract breach is an antecedent of job satisfaction and unmet employee expectations could lead to job dissatisfaction, which further could impact employee commitment and engagement. When an employee experiences a psychological contract breach, that employee will try to reach a stage of equilibrium based on what they receive from the organisation and what they contribute, however employees may experience extreme negative attitudes or behaviours towards the organisation (Kickul & Lester, 2001). Aykan (2014) states that at the point of psychological contract breach, employees become dissatisfied with their jobs, and the resultant effects are decreased organisational commitment and increased intent to leave. In Hofmans et al. (2013) work, it too was clear that job satisfaction could impact turnover, absenteeism, and performance, in this article financial reward was directly linked to job satisfaction.

Pfeffer and Langton (1993) noted in their study that large pay differences had a negative impact of the productivity of the faculty members that were studied and argued further that these differences in pay caused perceptions of inequity. The perceptions further decreased

faculty motivation and ultimately individual performance. One study performed by Khoreva (2011) looked at the perceptions of gender pay gaps and created a conceptual model of factors proposed to influence individuals' perceptions of the gender pay gap. These included individual factors; pay expectations, gender role orientation, perceived pay fairness, demographic items like gender, age, marital status, and education; organisational factors and a societal dimension. Khoreva confirmed that the composition of the labour sector and the occupational grouping status could predict the perceptions of the gender pay gap (Khoreva, 2011).

2.4 Job satisfaction

Job satisfaction has been described by many scholars, however generally these descriptions have attributes of either providing a positive feeling or providing a level of neutral satisfaction to one's job. Biswas and Mazumder, 2017, p. 9 describe job satisfaction as "the pleasurable state of mind or positive feelings that employees have towards their jobs". Job satisfaction is a multifaceted concept that holds components of intrinsic and extrinsic elements of a job and has been defined by Cranny, Smith, and Stone (1992) as both a mixture of cognitive and affective reactions that one has towards their job. This is dependent on the actual comparison of their desired outcomes versus the actual outcomes. Similarly, Agho, Mueller, and Price (1993) defined job satisfaction to be the extent to which employees like their work. Recent studies have disagreed with the traditional definitions of job satisfaction and their linkages to affect. Weiss (2002) disclaims the earlier definitions stating that job satisfaction when only defined by affect; obscures three critical constructs of; evaluations of jobs, beliefs about jobs and affective experiences on jobs. Weiss clearly states in his article that job satisfaction is an attitude, where job satisfaction is "a positive (or negative) evaluative judgment one makes about one's job or job situation" (Weiss, 2002, p. 175). Rayton and Yalabik (2014) provided their interpretation of job satisfaction as a combination of affect and cognition. For this paper, job satisfaction is understood to be the affective reaction one has to their job, the cognition applied to the job and the attitude portrayed towards a job.

The following sub sections will address some of the factors of job satisfaction and the behavioural implications on employees.

2.4.1 Job Satisfaction and motivation

Literature notes that job satisfaction improves employee motivations, and through a concept of citizenship behaviour, the organisation benefits from the improved motivation through productivity (Edmans, 2012). Herzberg's motivation-hygiene theory states when motivators or job content factors like recognition, responsibility or advancement are present, an employee experiences job satisfaction, and when hygiene factors or job context factors, which are extrinsically related to a job and not satisfiers, are lacking an employee experiences job dissatisfaction (Malik & Naeem, 2013). There are numerous hygiene factors, of which pay is one of them. On the other spectrum Herzberg says that there are intrinsic factors that contribute to employee motivation, these ultimately lead to increased effort and performance. (Chung, et al., 2015) noted that Human resource efforts on training, education and recruitment will contribute to building a diverse workforce that is free of bias, this workforce will not only impact employee motivation, but will also improve the work atmosphere and the employee's ability to deliver.

Self-determination theory is a macro theory on human motivation that was developed from a focus on intrinsic and extrinsic motivations. Self-determination theory was used by Fernandez and Moldogaziev (2015) and delved into employee empowerment, specifically looking at practices aimed at "sharing information, resources, rewards, and authority with lower level employees" (Fernandez & Moldogaziev, 2015, p. 376). The study looked at the effect of these empowerment practices and its effect on job satisfaction and noted that practices that promoted autonomy; sharing information and providing access to job related data, had a positive effect on job satisfaction while practices that did not promote self-determination, like contingent based rewards did not have a significant impact on job satisfaction. Shaw and Gupta (2015) however, noted that financial incentives had a positive impact on intrinsic motivation and performance of employees.

2.4.2 Job Satisfaction and employee attitudes and behaviours

Adams equity theory on job motivation and job satisfaction is directly related to the way employees are treated at work, as this impacts their attitudes and behaviours. Equity theory posits that a comparison of employees own inputs (e.g. effort, skill) and their own outputs

(e.g. pay or recognition), is made to referent others (i.e. others who they perceive should have comparable input/output ratios) (Downes & Choi, 2014). Further the theory goes on to state that the input that a person puts into their jobs, creates an expectation of the rewards they would receive, and this directly impacts their satisfaction of that job. Therefore, the greater the inequity the employee experiences, the more distressed the employee will feel (Huseman et al., 1987). Further Downes and Choi (2014) note that if input/output ratios are disproportional, employees will seek to adjust their inputs or outputs to reach an equitable state. Singh and Loncar (2010) noted that when employees feel they are under-rewarded they tend to adjust their inputs, these can be seen in various behavioural changes which could include increased absenteeism, tardy attendance, or decreased productivity.

While the majority of scholarly articles have noted the negative relationship between pay dispersion and job satisfaction (Pfeffer & Langton, 1993); pay dispersion and performance (Bloom, 1999); pay dispersion and individual pay equity perceptions (Trevor & Wazeter, 2006), and pay dispersion and quit rates, Larkin et al. (2012) and Shaw and Gupta (2007) noted that workers may not be disturbed by pay differences when comparing their peer's compensation to their own, because they would consider the inputs (performance) and the outputs (pay) when making these comparisons. Through other recent studies a suggestion is made that individuals differ in their reactions to inequity or unfair outcomes and therefore perceptions of inequity are unique and affects individual's attitudes and behaviours uniquely (Kickul & Lester, 2001).

2.4.3 Job satisfaction, organisational commitment, and job performance

As noted above, job satisfaction refers to an employee's affective assessment of their job (Cranny et al., 1992); job performance on the other hand is more inclined to behaviours exhibited by the employee towards the goals of the organisation (Murphy, 1989). For many years academics have researched the topic to determine the relationship between job satisfaction and job performance, there have been academics who described the relationship as spurious or even too weak to place reliance on it. In Sawitri et al. (2016), the authors measured job satisfaction and its impact on job performance and organisational commitment, the results revealed that job satisfaction influenced organisation commitment

but did not affect employee performance. Contrary to this, a study performed by Alessandri et al. (2017) over a 5-year period, revealed results of employees displaying higher performance in their jobs when they were satisfied.

Sawitri et al. (2016) made commentary that employees work well to complete their jobs when they feel satisfied toward their work, they may even execute some parts of the job beyond what their responsibilities call for thereby showing organisation citizenship behaviour. Deci, Olafsen, and Ryan (2017) noted in their article on self-determination that when employees feel supported they achieve satisfaction and thrive at work, and the collateral benefits of this is organisational effectiveness. Sawitri et al. (2016) further comment that the satisfaction for the job comes from the organisations conducive work environment, where employees feel supported in completing their work. Job satisfaction defined by these academics, due to its nature of being an attitude, is the relationship between the employee and their work environment. Employees will achieve job satisfaction if they like their job and their environment in which they work and conversely, they will experience dissatisfaction if they do not like their jobs, which is in line with Agho et al. (1993).

2.4.4 Job satisfaction and turnover

For many organisations, turnover is a key consideration due to the loss of intellectual property involved with attrition, and the cost and time involved in replacing lost staff (Singh & Loncar, 2010). Excessive turnover rates also portray the organisation in undesirable light both internally and externally and has a negative impact on organisational performance, staff motivation and group cohesion (Singh & Loncar, 2010). Researchers have linked fairness and pay equity to organisational commitment and turnover intent, the likes of Lee, Gerhart, Weller, and Trevor (2008) who confirmed that dissatisfaction is a significant contributor to turnover.

Singh and Loncar (2010) note that employee's perceptions of their equitable rewards can provide a view of that employee's commitment to their organisation. Belogolovsky and Bamberger (2014) confirmed through their study on signalling and pay for performance that pay secrecy had a negative impact on employee performance and intent to stay when employees had perceptions relating to.

A research paper completed by Kabungaidze et al. (2013) noted that in a population of 300 teacher participants in the Eastern Cape province in South Africa, there was a significant negative relationship between teacher's intention to quit their posts and their level of job satisfaction, meaning that the more dissatisfied teachers felt, the more they expressed intentions to leave their jobs. Asserted in Tschopp et al. (2014), job satisfaction is a predictor for employee's intent to leave their jobs.

2.5 Summary conclusion of the literature review

Through the preceding pages, some of the possible factors that elevate the gender pay gap have been discussed, from the literature review it is evident that the topic has been researched extensively, however the pay gap still exists, even though a plethora of legislation to combat pay inequalities exists. In addition, the concept of job satisfaction and the related impacts of low job satisfaction; low performance; low motivation, poor organisational commitment and turnover intentions have been explored. Under this construct various views have been presented, however there has been no literature qualifying the impact on job satisfaction when gender pay gaps exist.

The related impacts of low job satisfaction due to disparities in pay between the genders is of use to organisations, not only to lower costs for human capital replacement, but also to ensure motivation and productivity remains positive for the organisation, and to ensure that all employees are treated fairly. Expectations developed from psychological contracts are closely linked with perceptions that a person may hold when a breach occurs. Psychological contracts are inherently perceptual in nature (Epitropaki, 2013). As noted earlier, psychological contract breach is a subjective experience (Aykan, 2014) and refers to a person's perception that the other party has failed to adequately fulfil the obligations of the contract. Leonard (2002) noted that one of the basic concepts of the humanistic paradigm is that reality is influenced greatly by the individual's perception of reality. Through the psychological contract between employer and employee, perception may influence the expectations of either party (Maharaj, Ortlepp, & Stacey, 2008).

Compensation can be considered a critical factor in firm performance because the quality of human capital that a firm attracts can be attributed to the compensation offered by that firm (Dineen & Williamson, 2012; Larkin et al., 2012). Further employee effectiveness and

motivation can also be shaped by compensation, together with the effort exerted by employees and the quality of the employees that stay with an organisation (Gupta & Shaw, 2014). Compensation can shape how employees behave and ultimately the effectiveness of an organisation (Gupta & Shaw, 2014). Reward and compensation not only impact the employee being compensated but also has a large impact on peer workers and the activities within a firm, because perceived inequities in pay can create a gateway for unplanned firm costs, through disgruntled employees, sabotage, and attrition (Larkin et al., 2012).

Many other academics have noted when there is a reduction in job satisfaction due to financial rewards, there is a decrease in intrinsic motivation (Hofmans et al., 2013), and an increase in job search intent (Card et al., 2012) especially for employees that earn less than the median salary. Hofmans et al. (2013) note that employees that are less motivated will also have low organisational commitment and that financial reward is positively linked to job satisfaction, these employees hold financial security as being more important to them. This finding clearly substantiates the view of organisations related benefits if the pay gap is addressed; the organisation could realise increased employee motivation and increased organisational commitment.

Giapponi and McEvoy (2005) note that there are barriers in closing the pay gaps, these include organisational factors, political history, and behavioural factors to name a few, some of which have been discussed above. While some studies have noted the progress in closing the pay gap, there remains many variables still to be addressed. The impact of not utilising the full complement of a labour force has a significant impact on the economy (Kahn & Louw, 2011). The same argument stands for utilising a small portion of the female labour force and not equally rewarding them. This will have an impact on job satisfaction and will reduce productivity and perhaps even decrease labour force participation in that sector. The study being undertaken will aim to determine if the gender pay gap perceptions, of a sample of managers, does exist and whether this understanding of its existence contributes to job satisfaction or dissatisfaction.

The following chapters will provide an outline of the research questions being investigated, a view of the methodology being used in the study and thereafter will present the analysis and the discussion of the results of the study.

CHAPTER 3. Research Questions

3.1 Introduction

The previous chapter provided the literature view on what is known about the gender pay gap and some of the impacts on employee job satisfaction. This chapter will aim to describe the research goals through the research questions that were developed from the literature review.

3.2 Research question 1

To what extent is there belief that gender pay gaps do exist?

Research question 1 aims to determine if the gender pay is perceived to be relevant in the labour market in South Africa. Through an exploratory approach, factors that contribute to the pay gap between genders will be explored.

This question must be asked to progress further in the study, from the Statistics SA data on the Labour Market and the numerous academic journals on the topic of gender pay gaps, this question is pertinent to pose to Senior managers within organisations, to determine if the concept is understood, relevant and addressed.

3.3 Research question 2

What is the perception of which gender is more fairly treated in terms of pay?

Through the qualitative analysis, Research question 2 will aim to establish which gender may be more fairly treated in terms of compensation. The literature on gender pay gaps is heavily swayed towards motherhood penalties, this research question allows for the interrogation of which gender may be perceived to be fairly treated. The question allows for further probing on why the response was given and what may be some of the factors that contribute to the unfair treatment to any gender.

3.4 Research question 3

What is the perception of pay inequality's impact on job satisfaction?

From chapter 2, it was evident that job satisfaction has a direct impact on employee motivation, organisational commitment, turnover intent, and job performance, amongst other things. This question aims to determine if unequal financial rewards to a specific gender could result in low job satisfaction or job dissatisfaction. The answer received allows for further discussion on the impact job satisfaction could have on the organisation and allows for probing into the larger macroeconomic impact this may have in the South African economy.

CHAPTER 4. Research Methodology

4.1 Introduction

This chapter will outline the research methodology that was used for this study. The research undertaken was to determine the impact on employee job satisfaction when perceptions of gender pay gaps existed in the workplace. The study followed a qualitative approach and was exploratory in nature. As per Singh (2007) qualitative data refers to data that is non-computable using arithmetic measurement and relationships, and can include pictures, words, and images. Qualitative data measures behaviours of subjects and can be categorised, hence qualitative data is also referred to as categorical data. Merriam and Tisdell (2016) note that qualitative research is a construction of knowledge in a continuous fashion, when people engage in activities, experiences, or phenomena.

To gather this thick and rich data, the researcher used the collection method of interviews, as this method is well aligned for collection of data of this sort (Neuman, 2000). An exploratory approach was taken to understand if the phenomenon of gender pay gaps does have an impact on employee job satisfaction. Welman and Kruger (2001) suggest that exploratory studies are undertaken to assess this very relationship, this is, whether a phenomenon does exist and as Saunders and Lewis (2012) state, then to become familiar and understand the phenomenon in more detail. The justification for this research design is what will follow in this chapter.

4.2 Research Method and Design

This study was cross-sectional in design, therefore a study of the perceptions of the gender pay gaps and the impacts on job satisfaction at a point in time. The cross-sectional survey is often called “a social survey design” (Bryman & Bell, 2003). The cross-sectional design had been chosen because as noted by Saunders, Lewis, and Thornhill (2009), academic courses are time constrained. The cross-sectional design choice also has the element of patterns of association, where the researcher could examine possible relationships between variables.

4.2.1 Rationale for proposed method

The case study approach is said to provide rich data to understand the research problem at hand, this approach allows for the “why,” “what” and “how” questions to be answered

(Saunders et al., 2009). The choice of research strategy had been guided by the research questions and research objectives, as per guidance from Saunders et al. (2009). The strategy design that was adopted for this research project was the use of a case study. Brewerton and Millward (2001) describes the case study design as involving an investigation of ongoing events (e.g. gender pay gaps) in relation to a specific outcome (e.g. employee job satisfaction) over a fixed period. While there are advantages in this design:

1. enabling in-depth examination of the phenomenon
2. the process yielding rich, enlightening information and
3. the participants generally being captive

there are also pitfalls, with the largest of these relating to interpretation of the data collected.

As noted earlier, a qualitative research design was chosen because this method best suited what the researcher sought to study, viz the phenomena of gender pay gaps and the related impacts on employee job satisfaction. An indicative characteristic of qualitative research is constructivism, where people tend to build a view of reality based on the interactions they have in the real world (Merriam & Tisdell, 2016). Hence by following a qualitative design, the researcher could achieve the objective of the study.

Rubin and Rubin (2012) argue that when the processes being studied are invisible or almost invisible, a qualitative research approach is best suited to the study, they further argue that in-depth qualitative interviews allow the researcher to gain the knowledge and data from the persons that hold detailed knowledge and experiences of the subject being investigated. The researcher was interested in gathering an understanding of how participants interpreted their experiences and how they made rational sense of their lives. To achieve this Merriam and Tisdell (2016) agree that applying a qualitative design would be ideal. This design is particularly useful when the researcher is interested in how participants interpret their experiences, how they build a view of their worlds, and in understanding how participants attribute various meanings to their experiences.

In the exploratory nature of the study, the qualitative data gathered allowed the researcher to explore data received in its closest format to the real natural setting it was retrieved from, this rich data is often referred to as “thorough” data and is not thin or abstract as when compared to the data retrieved from quantitative research methods Saunders et al. (2009). Stebbins (2001) described exploratory studies as a purposive, broad ranged undertaking whereby the aim is to maximise the uncovering of data that

assists in understanding a specific area, either social or psychological life. The qualitative method also allowed the researcher to gain a deeper understanding of the topic and the various aspects, given the phenomena is of a personal nature and therefore words and expressions collected allowed for their meanings to be explored.

An inductive approach was adopted for this study, given that the researcher wished to gauge the perceptions, get a feel of the problem at hand, and uncover new insights. Saunders et al. (2009) state that an inductive approach is one where the researcher collects data, analyses it, and then develops theory around the problem. While the examination and analysis of the literature revealed that pay and rewards is a contributor to job satisfaction and employee performance, the perceptions of gender pay gaps and its influence on job satisfaction had not been fully established.

4.2.2 Research setting for the study

All interviews held with participants were planned to be held at the participants place of employment, however this was not always possible. The reason for planning the interviews at the place of employment was to ensure that the research site was aligned to the activities or events that were under study. Not all interviews could be held at the place of employment, largely because the participants requested a change in location, however all interviews were held face to face, which allowed for the researcher to also observe body language and the tone in which answers were presented.

4.3 Research participants

To answer the research questions, the researcher had to choose participants that were appropriately aligned and equipped with knowledge to provide rich, thick data. Given that the focus of the study was the impact on employee job satisfaction when perceptions of gender pay gaps were evident, the researcher focused on participants who would have knowledge of employees' engagement and satisfaction levels, together with having knowledge of pay structures and salary bands across the organisation or within a department.

To this end, the researcher approached fifteen potential candidates to determine their willingness to participate in the study. Appendix 1: Invitation to Participate in Research Study provides the details of the invitation letter that was submitted to all potential candidates. The candidates hailed from various industries, were of varying ages and

genders and all held management positions where they were privy to information on salaries and employee engagement or satisfaction data. The researcher deliberately included men as part of the sample, as their views also held deep data that would assist in exploring the topic further, diversity of views added depth to the research findings.

4.4 Study population

To provide rich data, that was unbiased, the study population targeted individuals across a sample with varying management roles. The study was not limited to any one sector; however, the focus was on interviewing South African managers and CEO's across various sectors who had access to the South African context of gender pay gaps. These participants also held knowledge and experiences of employee responses to engagement and satisfaction levels, either because they headed up a division in the organisation or held the position of an advisor. This was done to ultimately gauge the understanding and perceptions of the variables noted in the research questions.

4.5 The sample

The researcher selected the sample based on judgment. In choosing the participants for the study, focus was placed on how rich, thick data could be gathered to answer the research questions. The researcher made the sampling decision on the requirement of having participation representation from both genders and ensuring that participants held managerial positions and were therefore well positioned to answer the research questions (Saunders & Lewis, 2012).

This meant that participants either had employees directly reporting to them or had a close view of employees reporting lines, experiences, and salary information. The participants also held their own personal experiences, as well as the views and opinions they held when acting in the capacity of manager or advisor, this is what was being sought in the qualitative research study (Rubin & Rubin, 2012). The participants therefore equated to senior human resource management personnel, senior line managers and CEO's, across various sectors in the Johannesburg and Pretoria regions. This sampling method is referred to as purposive non-probability sampling, where the researcher had identified individuals who were best placed to answer the research questions.

The researcher used various communication channels to reach the participants, these spanned from email, telephone, and mobile text messages. The purposive sample

selection aimed at ensuring that there was at least an equal number of male and female participants involved in the study and that there was coverage of a minimum of four industries across the Johannesburg and Pretoria geographies. Indicative of a qualitative research study, only a small number of cases were studied to expose the reality of the social phenomenon and increase the understanding of the phenomenon, this was the case with this study, where only 12 participants were ultimately interviewed (Neuman, 2000).

Appendix 2: List of Respondents provides details of the sample description, giving an indication of the geographic span, management hierarchy, industry coverage, gender, race, and age of the sample.

4.6 Unit of analysis

The unit of analysis for this study was the views, opinions, experiences, and insights of the study population, specifically in relation to gender pay gaps and the impact on employee job satisfaction. For this exploratory qualitative study, the researcher used in-depth semi-structured interviews as the primary data collection technique. The interview guideline can be found in Appendix 3: Interview Guideline.

4.7 Data collection

It is understood that qualitative research techniques, due to its non-numerical basis, relies more on gathering data using language and the interpretation of the language is key. Data collection methods for gathering qualitative data is therefore more aligned with close relationships with people (Walliman, 2006). To this end the use of in-depth semi-structured interviews was the primary data collection technique employed for this research project. The study was not limited to an organisation and therefore did not adopt a single case approach, but rather a mono method approach. This relates to a single technique that was utilised for data collection and data analysis.

4.7.1 Data collection tool

The tool choice was the use of in-depth semi-structured interviews, this was consistent when performing an exploratory study, and determining the opinions and views of the study population to determine the relationship of the study variables - gender pay gaps and job satisfaction. Semi-structured interviews take the form of having a list of questions or themes that need to be covered in the interview, however dependent on

how the interview flows, some questions could be omitted or reordered and others could be added to probe a concept further (Saunders et al., 2009).

Rubin and Rubin (2012) note that the in-depth interviews allow the researcher to gather and explore opinions, motives, and experiences of the participants, and therefore allows the researcher to understand the phenomenon from the lens of others and not their own. Further the authors purport that in-depth interviews allow the researcher to portray ongoing social events, and that this data collection tool is adequately designed to understand issues of a personal and sensitive nature. For these reasons, the in-depth interview approach was best suited to gather the data related to this study, especially given the studies personal nature and due to the aim to wanting to gather opinions and experiences of the participants.

An interview guide was used to guide the progress of the interview, this was shared with the participant prior to the interview, together with details of the research topic and definitions of the constructs under study.

4.7.2 Data gathering process

The researcher identified participants that fulfilled the sampling requirements and relied on her corporate network to make these identifications within the sectors that she had access to. Where other sectors needed representation, the researcher requested recommendations from the existing participants. Thereafter the researcher contacted the participants via telephone or email and provided a briefing of what the study entailed and the method of data collection that was to be used, and finally requested the prospective participants participation in the interview program. In providing prospective participants details of the research study, the researcher provided definitions of the constructs under study, a guideline of how long the interview would last and a view of the interview guide.

Thereafter interviews were arranged and added to diaries. The researcher made use of a voice recorder to record the interviews, only after receiving consent of the participant. To accommodate participants requests, the researcher met with four participants individually, at a location that was deemed neutral, while the remaining interviews were held at the participants place of employment.

The interviews commenced with introductions and the researcher thanking the participant for their time. To establish rapport with the participant the researcher provided details on the study being undertaken and allowed the participant enough time to ask questions they may have had. The researcher also ensured the conditions of the interview were conducive to encourage participation. This was achieved by allowing enough time for participants to answer the questions posed to them, allowing participants to go back to previous questions and elaborate further and encouraging participants to use any mechanism that they thought appropriate to explain themselves. To this end, two participants made use of supplementary research articles and statistics to illustrate their feedback more meaningfully.

At the start of the interview the researcher provided details on what the informed consent letter entailed, this letter can be viewed in Appendix 4: Consent form. The researcher requested signature thereof and finally, the researcher reminded the participant that the interview would be voice recorded and the researcher started the recordings. The interviews then progressed with the researcher using the interview guide to guide the discussion. The interview guide was used merely as a guide and therefore the order of the questions did change in each interview, as the researcher did not want to prohibit the flow of discussion. This is indicative of a semi-structured interview where the order of questioning can change, some questions can be omitted and others can be added (Saunders & Lewis, 2012; Smith & Osborn, 2015). While new questions were added, none of the six questions that related to the research questions were omitted from any interview. The interview consisted of open-ended questions and therefore encouraged participation and limited “leading” participants.

On completion of the interview, the voice data was saved and sent to a transcriber that the researcher had contracted with. The transcriber converted the audio files to a written MS Word format which reflected the actual words spoken by the participant. Hand written notes and the additional data provided by the participants, in the form of printed articles and statistics, supplemented these transcriptions.

4.8 Pilot interviews

Two pilot interviews were held at the start of the research fieldwork. These pilot interviews were held with two participants from two different industries and who held different management designations in their organisations. The pilot interviews were conducted in the same manner as all other interviews as described in section 4.7.2. The

purpose of the pilot interviews was to determine if there were any concerns, irregularities or issues with the questions and the method that the researcher was conducting the interviews in, in order to further refine the interview guide and the interview process (Saunders & Lewis, 2012).

The feedback from the pilot interviews were as follows:

- Participant 1: On reading the title of the study, the participant was immediately drawn to the construct of the gender pay gaps given its topical nature in the media of late. The participant therefore did not initially realise that the impact on job satisfaction was another one of the main constructs that was being researched. The recommendation received was to ensure that at the start of the interview the participants are made aware of this, where the researcher should clearly articulate the objective of the study, provide background on the constructs and the definitions of key terms that were to be used through the duration of the interview.
- Participant 1: Some of the questions posed were too lengthy, and while they were more concise in the written form in the interview guide, the researcher asked them in a verbose manner. The recommendation was to be clear and crisp so as not to lose the participant in the lengthy manner of asking the question.
- Participant 1: The researcher was nervous at the start of the interview and therefore used many “ums” and “ah’s” when posing questions, the participant suggested building rapport with the participant first, which would allow both researcher and participant some comfort, and then to start the interview proper.
- Participant 2: While the use of the audio recorder on a mobile phone is adequate for recording the interview, the participant suggested that the mobile device be turned to airplane mode to ensure that there were no disruptions from the device itself.
- Participant 2: This participant also noted the verbose manner in which the questions were asked.

The feedback from both pilot interviews were digested and the researcher made amendments as required to improve the quality of the data gathering process. The data retrieved from both interviews were substantial and relevant therefore the researcher retained this data, which then formed part of the sample population.

4.9 Analysis approach

It has been established that the study design was qualitative and exploratory in nature, it has also been established that face to face, in-depth, semi-structured interviews were used as the data collection tool. Saunders and Lewis (2012) note that this method of data collection is appropriate when the researcher is required to ask complex questions, or when the researcher may not understand the participants responses. This method allows that the researcher can continue with the questioning line until the research question is answered. The nature of the semi-structured interviews allowed for addition and omission of questions, accommodated the participants questions to the researcher and allowed the participants to express themselves in any manner in trying to answer the questions posed.

4.9.1 Data analysis tool

Computer-aided qualitative data analysis software (CAQDAS) was used to analyse the transcribed data from the interviews. The tool of choice was Atlas ti 8, which had the ability to import MS Word formatted transcripts as documents and allowed the researcher to select and organise pieces of data into manageable chunks using codes and code groups (Friese, 2017). Given the large amounts of unprocessed and ambiguous data that had been gathered through the fieldwork phase, a CAQDAS tool was paramount for analysis.

4.9.2 Interview transcription process

After each interview, the researcher shared the audio recording with the transcriber who then transcribed the recordings into a MS Word format. Each transcription was then sent back to the researcher for review, at which point the researcher cleaned the data. The process of cleaning was to ensure that where inaudible segments were indicated in the transcription, the researcher rectified by listening to the recordings and by referring to hand written notes and making the corrections on the transcripts. Data cleansing also rectified spelling errors and expanded on acronyms that were mentioned by the participants. The data cleansing process ensured completeness and correctness of the interview data.

4.9.3 Method of analysis

The research philosophy that had been adhered to in this study was ontology. Ontology is focused on the researchers view of the nature of reality (Saunders et al., 2009). To answer the research questions the researcher aimed to understand the subjective reality of managers being interviewed so that the researcher could interpret their perceived reality and their perception of the impact on job satisfaction levels of employees. This view is referred to as subjectivism epistemology and falls part of the realm of ontology.

A thematic content analysis approach was adopted for the data analysis in this study. Braun and Clarke (2012) describe the method of thematic analysis as a systematic method of identifying and organising data in a manner that allows patterns of meaning to emerge across a set of data. These patterns are called themes, and through analysis of the themes across the data set, the researcher can make sense of shared meanings and experiences and identify commonalities. This method offers a mechanism to code and debunk qualitative data and then link it to conceptual or theoretical items. The technique is often used in interview methods whereby analysis of people's experiences, their interpretations of understanding a phenomenon, or their understanding of the construction of that phenomenon, is undertaken to create data driven or theory driven analysis (Clarke & Braun, 2013). The thematic analysis approach allows the researcher to generate codes, group codes into coding categories, build themes and map relationships and networks. Clarke and Braun (2013) further state that there are six steps to thematic content analysis, these are familiarising oneself with the data, coding, searching for themes, reviewing themes, defining, naming themes, and writing up. This is precisely the method that the researcher followed.

The data collection process was continuous and after each transcript was deemed complete and correct, it was imported into Atlas ti 8 and the researcher proceeded with coding. A full sentence or group of sentences was assigned a code, to ease referencing later in the study. After the first transcript was coded, the researcher then performed the same exercise with the subsequent transcripts. The process was iterative and where codes had already been formulated in previous transcripts, these were assigned within the subsequent transcripts using the list coding functionality. As per Smith and Osborn (2015) the researcher must read and re-read the transcripts to become familiar with the content, with each read, new insights are likely to be identified. Where new codes were needed, the researcher created new codes per transcript using the open coding function. Each code created was defined by using the comments box in the code manager, and this allowed the researcher to refer to the meaning that was intended for the code, this was handy when subsequent transcriptions needed to be coded. Through the process

of coding each transcription, the researcher had to make numerous changes to codes to ensure that a code applied to subsequent transcripts held the same meaning as it did for prior coded transcripts. Recoding and rationalising codes contributed to the iterative nature of the coding process. Once completed, the analysis of the data could be performed as all data gathered was in a format that eased comparison and allowed for relationships to be identified.

Once codes were created, the researcher then grouped the codes that had similar meanings or were part of the same construct into a code group. These code groups then made it easier to assess specific codes as the list of codes grew with each transcript being analysed. Code groups made it easier for the researcher to identify themes, as patterns started to emerge. In labelling the codes, the researcher made use of prefixes to indicate the research question being answered, this was followed by the theme and then the code group, this labelling method eased the analysis phase. Appendix 5: List of codes used provides a view of the codes that were created per research question.

4.10 Data trustworthiness

Qualitative research has a set of quality assessment criteria which much be achieved to confirm trustworthiness of research findings. While quantitative studies will use criteria as reliability and validity to prove rigour in their findings, qualitative studies must employ four specific assessment criteria to prove trustworthiness, these are credibility, transferability, confirmability, and dependability (Anney, 2014). Qualitative research by its very nature has no absolute truths and is exposed to subjectivism and bias, therefore for the research to be accepted as reliable the study should produce replicable results. The four assessment criteria that must be employed are described below with an explanation of how achievement of each was attained in this study.

4.10.1 Credibility

This criterion looks for providing confidence that the data is true and reliable, credibility therefore confirms whether the research findings are in fact plausible and represent the data that was solicited from the participants (Anney, 2014). To establish rigour, various credibility strategies are often employed, the below three were used by the researcher.

- To achieve the strategy of prolonged engagement in the field or research site, the researcher had to immerse herself in the participants world, while this was not possible to achieve in a 60-minute interview, the researcher had done prior in-depth

background research on the organisation that the participant represented and also read through profiles of the participants themselves to gain an understanding of the participant and their organisation. This gained knowledge was used to build rapport with the participants which allowed for trust and greater understanding to be built between the participant and the researcher.

- To achieve the strategy of peer review, the researcher sought primary support from her assigned dissertation supervisor to test the insights and findings that were presented in the research study.
- Triangulation helps to reduce bias as it cross examines the feedback received from participants with the remaining participants in the population (Anney, 2014). This was achieved by interviewing more than two independent participants, many of which could be compared in their management grading, industry, and sector.

4.10.2 Transferability

This concept refers to the degree in which the research findings can be transferred to other researchers, other contexts, or other research studies (Anney, 2014). To achieve this, the researcher had to provide thick descriptions. According to Anney (2014) this refers to the inclusion and detailed descriptions of the research design and methodology, the data collection methodology, and the description of the context of the study, so that other researchers can replicate the study using similar conditions. Chapter 4 provides this thick description as a trustworthiness criterion for transferability.

4.10.3 Dependability

Dependability is often referred to as showing stability of research findings over a period of time and the mechanisms to achieve this vary from audit trail compilation, coding agreements, stepwise replication, and peer examination (Anney, 2014). The researcher implemented an audit trail which detailed the processes that were followed (section 4.7 2), for both data collection and data analysis. Further all audio recordings and transcriptions were retained by the researcher and will continue to be retained by the University for the retention period that the University deems adequate.

4.10.4 Confirmability

Confirmability refers to the concept that where results are under question, they can be confirmed or corroborated by another researcher, and that the results are directly derived from the data and not necessarily from the researchers own perceptions (Anney, 2014). It is suggested that confirmability can be achieved using audit trails, triangulation, and reflexive journals. As noted above the researcher did achieve triangulation and did implement an audit trail, hence the researcher believes that confirmability has been achieved.

4.11 Research limitations

The study was aimed at offering insight on employee job satisfaction when perceptions of gender pay gaps were evident. While successful interviews were held, there are limitations to this study, these are noted below.

- The population was limited to senior human resource management personnel, senior line managers and CEO's, however middle managers could have also contributed to the study. The reason for their elimination from the study population was that not all middle managers had access to staff salary data and may have only been involved in the non-reward performance management related aspects for and with their employees.
- Time was also a limitation of this study, given the researcher had to work towards an imposed university deadline, while considering for other subject attendance, fulfilment of full-time work and commitment to family. The researcher did not have the luxury of performing this research over a longer period.
- Time limitations of the participants were also a limitation, as the interviews could only be held at a time that was convenient to the participant.
- Being a novice to the interview technique adopted for this study, the researcher relied on the pilot interviews to refine the technique used.
- Given the nature of the study, interpretation of the participants answers relied on the understanding and decryption by the novice researcher.
- Geography bias did impact the study, as only participants from Johannesburg and Pretoria were targeted.

This chapter provided detail on the research methodology used for the study and gave insights to the choices made by the researcher, Chapter 5 will now present the results of each research question.

CHAPTER 5. Results

5.1 Introduction

Chapter 4 provided detail on the research design and methodology, the research participants, population, data collection methodology and explicitly provided details on the data analysis method used. Through the technique of in-depth face to face interviews, the findings of the data analysis will be presented in this chapter and will be aligned to the research questions that have been discussed in Chapter 3.

5.2 Data collection

Twelve participants confirmed their willingness to participate and semi-structured interviews were held with all participants. Only four participants requested that the interview take place on premises other than at their place of employment, this was mostly for convenience reasons. The researcher held the twelve interviews however upon progressing with interviews it became evident that no new data was being solicited by the end of interview 6. This can be seen Figure 2 where, by the sixth interview, no substantially new data was emerging in the coding process. The researcher continued with the planned interviews and upon progressing, the interviews did yield new data in the tenth interview, and thereafter this trend started to decrease again. The researcher stopped the interview process after the twelfth interview as the data gathered was deemed enough for the requirements of this study, and the data was deemed to have reached its saturation by the tenth interview (Flick, 2007).

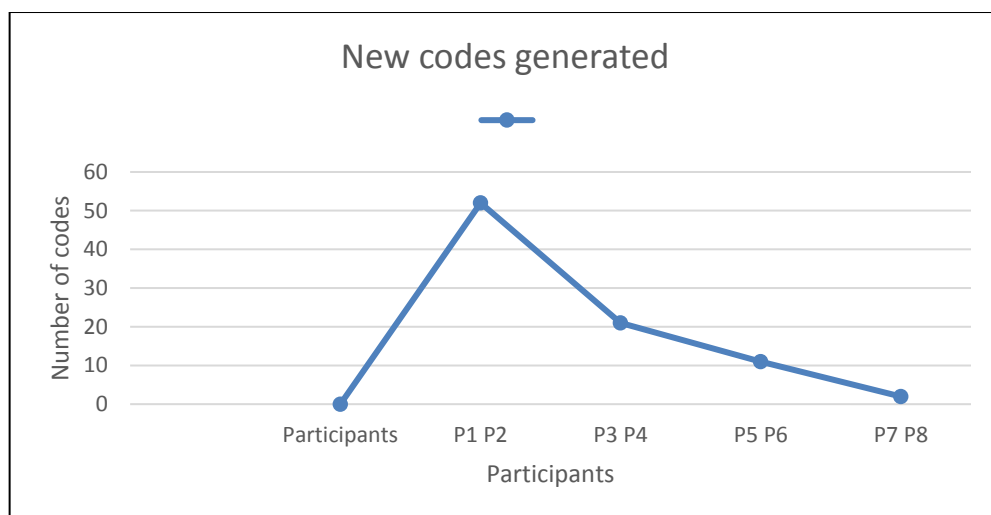


Figure 2. Code creation during analysis

Source: Authors own

All interviews held were face to face and ranged in length from 36.49 minutes to 60.06 minutes. Table 2 shows the length of each interview held and the word count per transcription. The length of interview and number of codes yielded per interview was indicative of the depth of conversation, knowledge and awareness of the subject, and the degree of participation from the participant. The six questions that are detailed in the interview guideline in Appendix 3 of this document were posed to all participants, however due to the participative nature of the collection method and the level of knowledge held by the participants, certain branching questions were posed to some participants while others did not get asked these questions.

Table 2. *Length of interview per participant*

Participant ID	Length of Audio	Word count of transcript
Participant 1	46:51	7,120
Participant 2	39:59	6,330
Participant 3	51:58	7,826
Participant 4	36:49	5,075
Participant 5	48:35	6,493
Participant 6	52:50	8,010
Participant 7	55:05	6,277
Participant 8	57:11	7,452
Participant 9	01:06:00	8,573
Participant 10	49:32	6,178
Participant 11	59:37	7,961
Participant 12	43:37	5,501
Total length in minutes	599:24	
Hours of recording	9.98	

5.3 Data analysis

The interview questions were created in line with the research objectives as noted in Chapter 3. In Appendix 6: Consistency Matrix a view of the alignment of the research questions and the interview questions is presented. All interviews were scheduled and were then conducted over a three-month period. The audio recordings of the interviews were transcribed verbatim, the interviewer also made supplementary notes and made a concerted effort to note behavioural observations, although, it was not always evident that body language or gestures were supplementary or contradictory to the spoken words.

The transcriptions were cleaned to ensure that the transcriptions reflected the conversation that took place during the interview, so completeness was ensured. After

being imported into Atlas ti 8, analysis followed a thematic content approach. The transcripts were coded, after which these codes were grouped together based on similarity of content to create coding groups. Upon identifying relationships between the code groups, it was evident that numerous themes had emerged. The key themes that emerged from the data are discussed in the remainder of this chapter, and in most cases verbatim quotations, while maintaining anonymity, has been used to illustrate the points being made.

5.4 Presentation of results

The results have been presented per research question in accordance with the research questions that were presented in Chapter 3. The aim of each research question has been described, after which the results per interview questions pertaining to each research question has been presented. The use of frequency tables, network diagrams and graphs depicting popular themes or constructs have been used to improve the understandability of the results.

Through the analysis, it was evident that the participants had varied thoughts on other topical item, while these, in some instances did not directly relate to the research question, the researcher coded the data to provide a wholistic view of the data collected, however the researcher did not interpret the results thereof in Chapters 5 and 6. The ranking has been noted and has been determined by the frequency of mentions of the code within the related code groups that merged into a theme. The researcher's discussion that follows does not necessarily follow the ranking order, this was done to aid the ease of flow of readability.

The use of square brackets [] is an indication that the information contained within the brackets was not specifically mentioned by the participant at the time, this was due to continuation from earlier answers. To ensure anonymity and confidentiality, the researcher made use of round brackets () indicating the content within the brackets as pseudonym identifiers assigned by the researcher.

5.5 Results for Research Question 1

To what extent is there belief that gender pay gaps do exist?

This research question was aimed at first determining if the participant believed that the gender pay gap was an issue that was still in existence in the business world and to

gather the extent of the beliefs of the gender pay gap. The related three interview questions were created to determine the extent of the perception of the gender pay issue in the wider South African context and in the context of the organisation that the participant worked at. The questions were also aimed at obtaining an understanding from the participant on what they perceived the gender pay gap could be attributed to.

5.5.1 Is there a prevalent issue of gender pay gaps in South Africa?

This first question sought to determine if the participant believed if the phenomenon of the gender pay gap was an existing issue within the South African context. Table 3 below illustrates the themes that emerged when analysing the data for interview question 1.

Table 3. Themes emerging from “Do gender pay gaps exist?”

Rank	Themes	Number of codes within theme
1	View on the gap	4
2	Existence of pay gap	3
3	Where is the gap?	2

5.5.1.1 View on the gap

The strongest pattern that emerged was that there were various perceptions on the pay gap itself; why it came about, how it continues to remain in existence, how long it would take before it is eradicated and the perception on how big the gap was. Seven of the twelve respondents noted that unaddressed gender pay gaps are a business risk, due to increased attrition rates, decreased employee productivity, reputational risk, and increased costs in managing and monitoring disengaged employees. The below four quotations illustrate some of the views of business risk.

“It’s also quite embarrassing for a company to have to admit.” Participant 7

“Again, perceived, or true unfair treatment, it doesn’t actually matter. If you perceive it to be true, its true for you and so effectively the story you tell your colleagues, friends, the people around the table when you go to social networking events impacts our brand reputation.” Participant 8

“By the time the organisation wakes up to it, the damage is just huge.”

Participant 9

“... there is now demonstrable evidence to say, “if you're interested in P&L, make sure that your decision makers are diverse” and don't just do it for creativity.” Participant 11

The gap extent code was created because informants had varying comments, some of which are noted below, all these responses related to the perceived percentages of the gender pay gap in favour of men. The CEO of an advisory firm however warned against using incorrect sampling and analysis techniques that could distort the pay gap percentage that organisations or scholars may be publishing.

Participant 1 specifically noted that through her experience in her sector, Executive level females earned significantly less than men, with the gap being between 21% and 42%. The respondent substantiated this feedback citing that she was privy to discussions that noted the large discrepancies at executive level pay.

“No, you can't eliminate this in the short term because you are going to find that if you do analysis, and I haven't done analysis, but I am conscious of the fact, merely because I am privy to such discussions, is that on average, a woman in an executive position or women in the workforce compared to a male counterpart earns between 58% and 79% of a male counterpart.” Participant 1

In the below quote, Participant 5 confirmed that within her own team, evidence of the pay gap showed that her male employees were being awarded between 20%-25% more than their female team mates, clearly negating the code of equal pay for work of equal value. This was attributed to staff remaining within the salary band, however given the band spans a large differential, the organisation could still justify that the lower paid female employee was earning a market related salary.

“I'm trying to think of my last staff member; about, say 20%- 25%, I think”.

Participant 5

Participant 9 had used various examples to illustrate that the pay gap does exist, and from his experience he noted that this gap could be approximately 15%. This participant had experience in the recruitment process where he could see the difference in pay between internal and external candidates, with the external female candidates presenting lower salaries than what was being offered within his organisation.

“Probably about 15% in favour of the guys.” Participant 9

Participant 7 was aware of the high gender pay gap reporting in South Africa by some statisticians and quoted a figure similar to that of Participant 9, he affirmed that these reported pay gap figures are not truly reflective of the actual gap. This was attributed to the sampling groups the statistician used, and this then created the reporting of a false pay gap percentage in the South African market. Earlier in our interview, this participant noted that the gender pay gap, after analysing the data of over 800 organisations, ranged between 9% for professional staff, 11% for unskilled lower level staff and 14% for skilled or specialist staff, all in favour of men.

“There have been reports in South Africa that the wage gap is 30%, but you’re using different sample groups. Also, the reality of it is that there are more men employed than woman. So, you get a distortion, if you can call it that, because your sample groups are not the same. I only mention that because when people look at wage gap, and I’m not saying there isn’t a wage gap; I’m just saying one must be cautious because sometimes you can make the wage gap look much worse.” Participant 7

The importance of this is that the perception of the pay gap across the sample population was that the phenomenon did exist, but the actual difference in pay for equal work was not fully understood. This can be attributed to poor data analysis by the national statistical service of South Africa, StatsSA, either due to poor source data or poor techniques employed. It is also indicative of the depth of knowledge that managers and CEO’s held on this topic, with all the respondents unable to provide confident views on the percentage of the gap. A reason for this less confident view on the gaps could be attributed to organisations not analysing their data, or if data is being analysed, the results thereof may not be shared with Senior managers.

Respondents noted that the gender pay gap stemmed from historical injustices, and these have had a compounding effect on the female labour force. Respondents noted

that gender pay gaps were initiated as far back as when women were thought to rather be home based and caring for families and not requiring education. When women did start getting educated, they were then directed to study subjects that would position them for administrative type work. Respondents further noted that women were increasing their studies in STEM subjects, however when they entered the labour force in STEM related roles, they were prejudiced against due to historic stereotypes. The next two quotations illustrate this point.

“I think it’s a historical thing and I think South Africa would be right up there, with the legacy issue from apartheid days. Even though under apartheid people of colour were prejudiced against. You’d probably find particularly, woman. They had a double whammy. They had their culture saying, “education is not that important for you” and then you had apartheid saying, “let’s not let these people get ahead.” Both those things would have driven that.” Participant 7

“I think there’s a long legacy with women being recognised less, being given less senior roles than men. It’s part of having same drive, capability. So, I think it’s a legacy issue, I think.” Participant 10

This confirms that while women have made progress on the educational front, old mindsets still prevail and contribute to the gender pay gap experienced today.

Respondents provided their views on how long it would take before the concept of the gender pay gap would be eradicated. Respondents noted that slow progress has been seen, but there are many years still to go before the gap is completely closed.

“But, with more women on Exco’s and boards and Manco’s and OPco’s, potentially, in the next 200 years we can try and eliminate the gender gap.” Participant 1

“We started the survey I think in 2000 or 2001. So obviously we’ve been able to track that wage gap. We’ve seen it coming down over time. In the early day’s we didn’t have such a robust survey because of the quantity of data. But at that stage the wage gap was more than 15%, and it has been declining over time.” Participant 7

It is important to understand these views given the sample population were all senior executives and CEO's. These respondents are all therefore in prime positions to address the gender pay gap and to make recommendations and changes in their organisations to alleviate the gaps.

5.5.1.2 Existence of the gap

One CEO affirmed that he was not fully aware of the gender pay issue being a prevalent issue in the South African context, the participant quoted that he was not certain of this given his lack of knowledge in this area.

"I am not well informed. I think there is, but I don't know, you just said thirteen to eighteen percent which is quite significant, but I don't have good knowledge at all." Participant 10

The interview with this participant progressed, as he indicated that he did believe the phenomenon existed but could not provide details from an expert point of view. Given that the interviews were exploratory in nature, the researcher continued with the interview and determined after analysis of the transcription, that the data retrieved from the interview was beneficial to the study, and hence this participant's data had been included in the study and in the remainder of this report. Further the aim of the study was to gather the opinions, beliefs, and perceptions of the participants to be able to determine the consistency in views from participants with regards to the constructs under study, therefore it was crucial to continue with the interview.

Of the remaining eleven interviews, there were thirty-two mentions of the gender pay gap being prevalent, and hence this was the main pattern that was noted from this question. The gender pay gaps were noted either within the organisation the employee worked at, other organisations or a place of previous employment. Some of the views of the participants are listed below to provide the extent of the perception the participants held.

"I do believe that there is prevalence of gender pay gaps in the South African economy and workforce. Look in my current organisation; we are a reasonably young organisation, and everybody that is part of the organisation currently, based on the salaries and benefit packages are

related to market, so it is not necessarily, alive and kicking currently. But, in my various roles and jobs at other organisations, it was quite evident. Gender pay gaps were evident and existed at every level, across every band of employment.” Participant 1

“I think there is actually, if we are generalizing across industry. I think some industries are better at it and some are more regulated if you look at the financial charters and government targets, but generally speaking, I do think there is a gap. They’ve got proof that typically in the financial services industry there seems to be a large gender pay gap.” Participant 3

In some instances, participants noted that they did have this perception, and this was mostly steered by discussions they have had with counterparts or friends in other places of work or in other industries, but this perception was not necessarily constructed by a view from their own organisation.

“I think there is. I think it’s just probably perceptions in terms of discussions I had with friends and people that I meet that have these discussions and opinions.” Participant 4

Participant 5 illustrated that while within her team there are gender pay gaps, albeit not large, when she is conducting the recruitment process, male and female applicants from the same organisation with the same job descriptions that apply for her open role, produce salary statements that differ to each other, thereby confirming that the gender pay gap exists in other organisations as well.

“So, basically, I think being a manager, managing people, I am privy to salaries and I can definitely tell even when, not just within my own team, or within my own staff, when people come for interviews as well, you can definitely tell that based on the information that I get, there is a gap.” Participant 5

In a similar vein, Participant 9 noted that while he works for an engineering department within a government body, he has not seen many instances of gender pay gaps, especially when employees have been with the organisation for a long period. This was understood as; salaries of employees who hold a long tenure with this organisation, are

being equalised to ensure that salaries across both genders are fair and equal, therefore the company is achieving equal pay for equal work. The participant however added that when he recruits, he has noted that external female candidates that apply for vacant roles also indicate lower salaries to other male candidates that apply for the same role. This was interpreted as, within the market, engineering candidates have differing salaries between the genders, with females earning less than men.

“I think in government it’s not that much when you’ve been there for longer, but what I’ve noticed is if we recruit ladies from outside they always come in at a lower salary than men. It’s definitely there. If our policy says, “we can only offer you 20% of what your salary was before”, then ladies fall into the same trap, because they were underpaid in the private sector.”

Participant 9

Another emergent pattern was that while pay gaps were noted in the organisation, these were not gender pay gaps. There were two mentions of this from the same participant, and the reasoning provided by the participant was that pay gaps had stemmed from internal promotion, and that her gender was not a factor.

“I think there’s pay gaps, but not because of gender. I think what happens is perceptions on ability and come to think of it, I actually have personal experience where when I was appointed as the production manager, I was the first female appointed in that position from the existence of the company. So, I was paid much less than males that were in that position before, up to a time then when there was a new general manager that came in that then gave me almost a 50% increase within a year. So, it was a 30%, then another 20% increase to correct my salary for that. I do think it happens, but again, in that example again, I think it’s just because I was already in the company. It was easy just to move me and under pay me.” Participant 4

While the participant noted that the pay awarded to her was attributed to an internal move within the organisation, she also said that she was the first female to be appointed and was therefore paid less than the male counterparts in that position previously. This indicates that the pay gap is gender related. She further stated that it was easier or convenient to move her internally and not revisit her salary. So, while the participant confirmed that there were pay gaps and these were not gender related, her statement

was indicative of gender pay gaps being in existence.

5.5.1.3 Where is the gap?

The researcher noted that the perception of the pay gap existence seemed to mostly be at senior levels of management. Many of the participants confirmed that their perception was that junior staff were paid comparatively equal, but as seniority increased so too did the pay gap. The direct quotations have been grouped further to give a view of the extent of these perceptions.

Three participants noted that as seniority increases, the gap within this management level increased. These participants noted that as experience increased, and staff moved into higher management levels the gaps started to widen, and therefore senior males tended to earn more than senior females.

“I suppose the more senior you go the bigger the gaps. So, like the MD being a male versus a female, you will be able to pick up the differences in salaries.” Participant 2

“But, what happens then is more that the guys that’s been there for a long time, tends to get paid less, on the higher levels, not the lower levels.” Participant 4

“Yes. Junior staff is sort of on par, but I do see it with more senior males.” Participant 5

Participant 1 and 12 noted however that the gender pay gap is seen throughout the organisation at all levels of hierarchy, between junior staff, middle managers, and senior managers. Participant 1 however emphasised that at senior ranks, the gaps are more significant, between 21% and 42%. Participant 12 noted that even at Executive board level, there is a perception of the gender pay gap, and board members use annual financial statements to justify their argument for fair and equal pay. The below two quotations illustrate this.

“Junior, all the way to senior.” Participant 1

“All levels. At the most senior levels, people compare their salaries with one another and with other executives because their salaries are in the public domain. I would go into a meeting and there will be six annual reports printed out, and that’s their benchmark and they start to compete professionally about someone else’s salary.” Participant 12

The below two participants noted that pay gaps existed mostly in the lower levels of employment. Here it was noted that lower skilled employees generally filled lower employment bands on the Patterson scale and at these levels, the issue of gender pay gap was most prevalent. Further it was noted that women tend to fill these roles, so through inference it can be understood that the gender pay gap is more evident for female employees at the lower levels of employment because females earn less than their male colleagues who hold the same positions as they do.

“Particularly in South Africa, because women tend to have lower level jobs than men. And lower level jobs, obviously the wage gap can be more prevalent at the lower levels than the higher levels.” Participant 7

“So, my sense of the South African context is that it’s still a very patriarchal society... and I think it’s more so the lessor skilled roles, so I think you’ll probably, and I can’t qualify this, you’ll probably find the more senior the roles become, the smaller the pay gap becomes.” Participant 8

From these findings, it was evident to the researcher that gender pay gap perceptions were mostly skewed to senior levels of management, due to 50% of the participants noting the same.

There was a distinct skew to private sector organisations not being transparent with salaries and having more and wider gender pay gaps than public sector organisations. The three participants below allude to this interpretation.

“The problem is, a lot of these multinationals and a lot of this will exist more in the private sector than public sector because I think public sector is a little bit more transparent about wages and salaries and things like that, and it’s a little bit more under scrutiny, whereas, in the private sector, you end up with multinationals that have [been] in existence for many, many years, probably to a point where maybe, women in the workplace was

probably a big question mark still.” Participant 6

“I think that’s probably true of regulated listed kind of companies, and probably increasingly true of less traditionally male dominated things, so again, this is purely my assumption.” Participant 8

“Government at least tries to be transparent. So, the issue of salary gap in government, I don’t think it’s that bad.” Participant 9

5.5.2 Are women in the organisation aware of the pay gaps between genders?

This question was designed to substantiate the question noted in 5.5.1 in understanding if participants believed the gender pay gap issue was in fact real. By determining awareness levels, the researcher sought to understand how staff would come to know about gender pay gaps considering pay secrecy rules, what the general behaviour or displays from staff would be and to get an indication of whether there was any challenge delivered by female staff.

The data retrieved identified three codes as shown in Table 4 below, where respondents either confirmed that the pay gap was evident to staff and therefore staff were aware; cases were noted where staff were not aware; and instances of mixed awareness levels were also illustrated by respondents, this referred to instances where some staff were aware while others were not.

Table 4. *Codes relating to Awareness levels of gender pay gaps*

Rank	Codes	Frequency of mentions
1	Awareness of the gender pay gap	15
2	Not aware of gender pay gaps	3
3	Mixed Awareness	2

A. Rank 1 - Awareness of the gender pay gap

The reasons cited for staff being aware was due to employee surveys or similar exercises that solicited data directly from staff and then disseminated themed results to staff. These surveys affirmed what staff believed and what their perceptions were.

Below are some of the verbatim quotations that respondents provided that can substantiate the view that in certain organisations, strides are being made to have open dialogue on the perceptions of gender pay gaps. While the dialogue has not been deep, specifically on the topic of impact on job satisfaction, the progression being made in this area, and with the assistance of studies like this, there is hope that organisations will make further efforts in addressing the gender pay gaps as the impacts this has on staff becomes more evident.

“I do, I do think that. And it’s come up in engagement surveys etc., I think there is a perception that there is a gender pay gap... So, the perception in our environment was that the answer was yes, men do have higher salaries. I’m betting that some of that perception was based on reality and knowing the data when people answered the question and therefore I think there’s some truth to it.” Participant 3

“Yes, because this was published, or an email was sent out internally, within the organization.” Participant 5

“Yeah. I think they would be aware in the previous organization because we used to run global surveys every year...Globally, there was a long version and a short one and it alternated every year, but in there, there was a typical question about remuneration; are you happy with remuneration? And so on. And we would be able to pull out the data from that perspective... And I mean, the research is all public information. Yes, they have access to it.” Participant 6

B. Rank 2 - Not aware of gender pay gaps

In the unaware code group, participants provided insight into why staff may not be aware of the gender pay gaps, some iterated views that women that are focussed on their career growth and promotion would be more in tune to having discussions on growth, salaries and opportunities, while for others that may be more aligned to their family responsibilities, they may be accepting of the circumstances surrounding their career growth. Therefore, they may not necessarily delve into the possible disparity on career growth or equal pay.

“So, depending on the type of female that you are looking at, not everybody is conscious that there is pay parity based on gender.” Participant 1

Participant 2 offered insights on staff, specifically blue-collar workers, who were not aware of gender pay gaps. She noted that due to the nature of the work, the environment is unionised and union representatives for blue-collar workers do address salaries, however this topic of gender pay gaps has not been raised.

“I don’t think they are. No one’s made it an issue and that shows you that they might not, because our population is very vocal, so if they did see something, it was going to become an issue and we’ve got employment equity forums as well.” Participant 2

C. Rank 3 - Mixed Awareness

The importance of understanding the awareness levels of staff was to establish if pay secrecy rules were contributory to this, and to understand if staff themselves are challenging the phenomenon. Under the mixed awareness code group, a CEO noted the below:

“I think if they are in HR they are aware of it. If they are not in HR, they are not necessarily aware of it. I think at executive level there may be a higher level of awareness, and the reason for that is those salaries get published. So, the woman is... they look it up and see it. In general, I wouldn’t say there is a prevalence that woman in South Africa realise that they are paid worse than men.” Participant 7

The Human Capital Business Partner for a financial services institution noted that there are complaints received after reward cycles due to staff being unhappy with their salaries. Later in the conversation he noted that items like salaries are personal and confidential in nature and therefore staff may not have the facts about other people’s salaries, this can be seen in the two different verbatim extracts provided below.

Participant 8:

“I think to varied degrees, I honestly can’t tell you that they are or are not. I know that some people are aware that it potentially could be, I think what people struggle with is... remuneration is a very personal and sensitive subject, if you ask almost any HR business partner, they’ll tell you that they generally have a long queue of people that stand at their desk after every reward cycle that are unhappy with their pay, because nobody ever said you pay me too much, please pay me less. But salaries are confidential, which means you may feel aggrieved and underpaid and undervalued, but you don’t know that for a fact versus the person setting next to you.”

“It’s such a difficult question to answer, because I think there’s a sense amongst women that there’s a pay agenda, a pay issue, I think that they don’t know to what degree, I don’t think that they know where they fall within that band. So, I think there’s a sense, but I don’t know that anybody can tangibly kind of say it’s me, I have an issue and it’s because of gender or race or whatever it might be.”

As we lead into the pay secrecy discussion later, it will become evident that without factual knowledge of pay disparities, staff are not well equipped to challenge discrepancies.

5.5.3 Possible reasons for the gender pay gap

In asking the participants what they thought the reasons for the gender pay gap could be attributed to, three themes emerged as listed in **Table 5**.

Table 5. Themes that emerged for “Reasons for the gender pay gap”

Rank	Themes	Number of codes within theme
1	Company constructs	12
1	Individual factors	12
2	Imposed or inherited factors	6

Ranking these themes based on the number of codes within each theme revealed that the company constructs and factors directly related to an individual where the biggest contributors to the gender pay gap, this was followed by imposed factors on an

individual.

5.5.3.1 Company constructs

This theme touched on various aspects of organisational structures and occupational segregation, ranging from unionised environments; pay secrecy rules to salary structures and rating mechanisms of staff. Table 6 shows the most popular codes based on frequency of mentions, that were noted under the theme of Company constructs.

Table 6. Codes under the "Company constructs" theme

Rank	Company constructs	Frequency of mentions
1	Salary structures and frameworks	45
2	Pay secrecy	20
3	Occupational Segregation	19

A. Rank 1 - Salary structures and frameworks

Most commentary received were constructed around how salary was structured for employees, the use of salary bands, salary frameworks and policies. The participants noted that salary bands were the starting point for awarding salaries and based on market related salaries new incumbents were measured against these bands. The participants also noted that the bands were wide, with large gaps between minimum levels and maximum levels. No participant could adequately affirm the extent of the width between bands, and many of the participants admitted to never having a view of the bands themselves.

It was explained by Participant 3, that should new incumbents join the firm and their existing salaries were below the band, the organisation would increase their salaries to the minimum level of the band, this was built in salary policies, however the comparison of equal work for an employee with the same or more experience was not considered when making salary offers. This therefore contributed and perpetuated the gender pay gap issue in the organisation.

“And, once you start on a salary, there’s the policy that governs and guides it. You sort of remain within that framework... And our policies are better governed. So, we’ve got salary ranges. You can’t just bring an intern in without looking at your range. You have to position them at the range and

the range is an equitable range... So, we look... we call it minimums. You've got a minimum for the job and we'll bring you in at the minimum. We don't look at internal salaries because no two people are the same. Your counterpart could have 10 years more experience than you, so you can't. And, a lot of it becomes subjective, we try and be as objective as possible. We've got a range, that's the minimum. Coming in from (Company A), are you below the minimum? Yes, we put you at the minimum. Are you within the minimum and the mid-point? We give you a 10%. That's how the policy is structured." Participant 2

Participant 3's feedback noted the same use of salary bands, however in this organisation internal parity was a factor that was considered, external parity was also a contributor in making the offer to the new incumbent. In using these mechanisms this organisation, was making concerted efforts to align salaries for equal work internally and externally within the financial services sector.

"So how we do it is we have market mapping when we do hire. So, you would have a role, and we would go to market maps to say, "For this role, what is the bands." So, there is no exact salary you should pay for a particular role but there is a minimum and a maximum sort of estimate that one would get for a particular role... So there is subjectivity to it, but if... so not only would we only look at the band but we would look at the internal parity of the people within that band today; so very rarely would you find a single role on its own ever, so if you were an investment banker and you come from a rival bank and we look at your current salary, certainly that's an input and we look at it against the band, we would also look at it against employees in that kind or roles, not people and that's where the beauty is, where you try and remain agnostic to names and individuals. The roles, the investment banking roles and what is at that level, what is the internal parity. So, we look at external parity and internal and that's how you try and avoid the perpetuation of gender disparity." Participant 3

Participant 4 and 5 illustrated that pay bands were extensively used in their organisations, but as hiring managers they were not privy to the details of the bands. Participant 4 noted that when she was hired, she was well below the band, and later in our interview she noted that she was "levelled up" to her male counterpart by being given a 50% increase on her annual salary. This indicated that this organisation did not

perform internal parity exercises for equal pay for equal work and when the organisation started focussing on the discrepancies in salaries across the gender, they realised the large disparities and had to fix them with large once off increases, or incremental increases over a period.

“I’ve also seen, we have pay scales. So, for example, for the lower levels, we use the Beromns level... I do think the band is quite wide, but there was a time when I think they didn’t play in the band. For example, when I was appointed, I was below the band for sure and this counterpart of mine, he was paid above the band.” Participant 4

“Within those bands, no, we don’t know what the bands are really. And a good example is, we had a candidate that came in the other day. We wanted to take her on at a certain level, but HR said for that level, that salary band is too high.” Participant 5

B. Rank 2 - Pay secrecy

As noted earlier, without knowledge and data on pay disparities, staff are not equipped to challenge pay gaps. Respondents noted that there is even an element of stigma attached to those that talk about salaries.

“Every company, there’s zero transparency in that and sometimes at the different bands, if you are seen to speak about salary increases, bonuses and pay, you are seen to be as immature and unprofessional because people should not be talking about that and you never going to get past the pay secrecy.” Participant 1

The below respondent noted that law does not dictate that discussion on salaries between employees should not take place, however contractually employees are bound by this clause in their employment contracts.

“I would say yes. There is that. However, according to South African Labour Law, there’s nothing that stops you from discussing your salary. So even though, the company might... there is no policy as such, but you are told that you should not be discussing your salary; it’s a dismissible offence, etc. But

over the years, I think people have come to realise that according to South African Labour Law, you can discuss your salary, there's nothing stopping you from doing that." Participant 5

It is evident though that Executives and Human Capital departments are the ones that hold factual knowledge and may be the only parties that can sufficiently address the gender pay gap issues, especially when legislation is not forcibly ensuring that the issues are addressed, as we see with U.K. Legislation on Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 No. 172.

Participant 2 noted two important things for the research study, one was that staff do not challenge the disparities, this was because staff do not talk about the differences in pay, either with each other or with their Human Capital teams. The second important point was that the Human Capital staff are aware of the gender pay gaps given the analysis that they perform and the various discussions they have at the remuneration committees. What was noticeable in this interview was that although the Human Capital division at executive level were aware of gender pay gaps, the participant affirmed that no effort was being made to rectify the gender pay gaps being experienced at the organisation.

Participant 2:

"So, when we look at pay, we do look at demographics and we do look at gender and there is a discrepancy or there is a difference, let me use that language, but employees aren't making a noise about it. So that's the difference. It is only when we do the analysis that you're able to see... They start like, for example, at the [white collar workers] supervisor/team leader level, where you start to see the split between the two. And at that level we still have the differences, and they do talk about the salaries at that level, so we do have a lot of issues around salary. But, no one has said, "my male counter-part earns more than what I earn." When we do the analysis for the remuneration committee, we see it."

"It's not our focus. So, we just do it to look at data, but there's no plan to say, "let's equalize the salary."

Participant 11 illustrated that female staff were surprised about why there would be a

pay gap. Given this participant works for an organisation that has a legal entity in the U.K., the organisation had to disclose their mean and median earnings of both genders holding the same roles, under the U.K. Legislation on Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 No. 172. This information was then published to all offices around the globe and when female staff were provided the information where it was confirmed that females were paid 99% of what men were earning, the female staff were surprised, as they were always told that all staff earn equally, in line with the equal work for equal pay legislation. The adjusted 1% was not understood, and having interviewed two participants from this same organisation, it was clear from Participant 5's responses that the female labour force challenged the pay differentials with Senior offshore managers when the data was released.

“On an equal work, equal pay basis, I think females generally think that they are paid equal to men. And when you come out with a study saying that women are paid 99% to male set of productivity adjusted level, so equal work, equal pay, I think that comes as a surprise to females, why the one percent difference?” Participant 11

Further the element of perception runs strong on this topic, where staff conjure beliefs of unfair pay, these are based on various factors, be it lifestyle of others or what has been said by others in terms of their pay – be it factual or not; however, without hard evidence of disparities female staff are unlikely to challenge the organisation successfully.

“Obviously, if I look at the males on par with me, sort of doing the same job, I think it's evident, but I don't have the facts, right? ... We have had instances where people feel that they should be paid more, but they don't necessarily have the facts, or they could be speaking to external counterparts or colleagues, etc., but nobody has ever approached us with facts saying that [there are gender pay gaps].” Participant 5

C. Rank 3 - Occupational segregation

Nine of the respondents noted that sex segregation was contributory to the gender pay gap, due to the traditional female oriented roles being less compensated. Respondents also noted that in traditional male oriented roles, like manufacturing and engineering,

women are compensated less due to stereotypes that they are not as well informed or equipped to fill a traditional male oriented role. The below two quotations substantiate this.

“In the manufacturing industry, it tends to be a male-dominated industry. I think there’s still a mindset of, “Men just know how to do these things better.” So, I think it’s improving, but it’s still the case where there is that perception; as a result, I do think that the salaries get affected.” Participant 4

“I think the example of HR, that’s a traditionally female dominated industry. And the requirements of that, the HR role, has changed significantly over the years from transactional to strategic partner and I think because women have been in that industry for a long time, I think they have obviously transitioned with it in the industry and so they’ve kind of more likely to take more senior roles ... So, they are sometimes kind of happy to keep that over-balance, particularly if you are looking at African females, for example. So, I think that stuff plays out, I think it takes a long time to transition, we’ve been quite intentional about making male appointments for example, into senior roles.” Participant 8

5.5.3.2 Individual factors

Numerous constructs were grouped together to create the theme of factors that impact the individual directly. Some of the constructs not discussed in detail ranged from the ability of men to network more strategically than women, men offering more work hours than women and negotiating power held by an individual. While these constructs had numerous mentions, the three most prominent codes under the Individual factors theme are noted in Table 7 below.

Table 7. Codes under the "Individual factors" theme

Rank	Individual factors	Frequency of mentions
1	Negotiation	32
2	Motherhood and impact on experience	16
3	Women and human capital factors	15
3	Motherhood and impact on pay	15

A. Rank 1 - Negotiation

The construct of negotiation was a prominent factor that came up in most interviews, were participants noted that men negotiated more than women do, this was mostly attributed to their upbringing which made men more confident about their abilities. Further due to societal barriers that were placed on women in the past, the perception in the workplace was that woman should behave like a woman, and not ask for more than what was offered. Respondents noted that white males were generally more confident, bold and comfortable to negotiate their salaries. The below quotations illustrate the respondents view on this construct.

"I think we as men, we can negotiate the terms of engagement, I don't think women are always prepared to negotiate the terms of engagement."

Participant 9

"From where I looked at it, that includes things as simple as negotiations, you have certain issues there, in terms of gender differences, just in the way people negotiate. The way in which the capital economy is structured that makes it easier for men to get things like promotions and pay increases on the pure basis that they ask." Participant 11

"And when you go to a new company they are like, "Oh I suppose 10% is fine", whereas, a male will say, "no, it's either this or not" and they understand, there's more confidence in their skill and they are prepared to negotiate for that skill, whereas, women aren't as confident as their male counterparts. They just accept it, but it's a cultural thing so if you go into background and upbringing, you can pick it up from there." Participant 2

"I also think, and again, based on what I see, I think a white male is more confident in asking for things like that, whereas, if you look at me, being an Indian female and my black male counterparts, we don't. I think it's a cultural upbringing that we've had, where we don't go and ask for things like that and that's what we've realized. Whereas, a white, male is quite confident to go and ask." Participant 5

B. Rank 2 - Motherhood and impact on experience

The construct of motherhood and the impact it has on one's experience level has been clearly articulated by numerous participants. While the actual maternity period may contribute to the loss in experience and time in the office, the remaining years of being a mother is what also contributes to the decrease in experience. Mothers are the primary care givers and therefore will need to be available for child care, homework, meal preparation, and other demands. This means that a mother, in most cases will not be able to dedicate more office hours than she can, her male counterparts on the other hand can and therefore mothers experience decreases in experience over time. The below two quotations reflect this.

"I don't think that organisationally this is overt, you know, this person has now six months less experience than her male counterpart. If that ever happened, that's pure discrimination and we deal with it as a serious disciplinary case. The reality is... so you come back six months later let's argue, and you have a six-month-old at home, I mean very practically, you not sitting here in the office until 6p.m., because you have a baby... so I think over a period of time, there is an opportunity for a woman to become less experienced, unless she very strongly chooses a support system to help her." Participant 3

"...but I also took some time off to have some children and I know the fact that I took time off held me back at least two to three years, I know that, but it was a conscious decision that I took." Participant 1

C. Rank 3 - Women and human capital factors

The gender pay gap was noted by respondents to also be attributed to human capital factors of age, race, gender, tenure, education and experience. Respondents noted that years of experience of female candidates would impact their compensation. Given that years of experience are also impacted by motherhood breaks in service, women are naturally prejudiced against in this area. Participant 1 noted this in her capacity as a Human Capital business partner:

"So, if you are hiring a person with 25 years of experience as an investment

banker versus [someone with] 22 years' experience, you might pay the female [less] who would have less experience typically in an industry that has been previously largely male dominated and I think that change we starting to see in the last 15 -20 years, but as a result there might be an instance where females are being hired for a lower pay because of lower experience."

Participant 3

Education as the human capital factor was a strong element, where participants noted that salaries are driven by levels of education and given that women had previously experienced a lag or lack in education, this impact had been felt by them in the workplace today. Participants 7 and 12 below provide substantiation in their quotations.

"At the end of the day education drives the salaries that the people can earn. So, the better educated they are, the better jobs they get, and then obviously they can get paid higher. I think it's a historical thing and I think South Africa would be right up there, with the legacy issue from apartheid days. Even though under apartheid people of colour were prejudiced against. You'd probably find particularly, woman. They had a double whammy." Participant 7

"If you had four children and could only afford to send one to university, chances are that you would have sent the boy child to university and not the others. When I was younger, 30 years ago, my dad couldn't understand why I wanted to go to study because I was going to get married and my husband would take care of me. My mom had a different view of the world, so for her it was important that we study." Participant 12

D. Rank 3 - Motherhood and impact on pay

While experience is impacted by motherhood, so too is employee pay. Participant 6 specifically illustrated with a graph, see

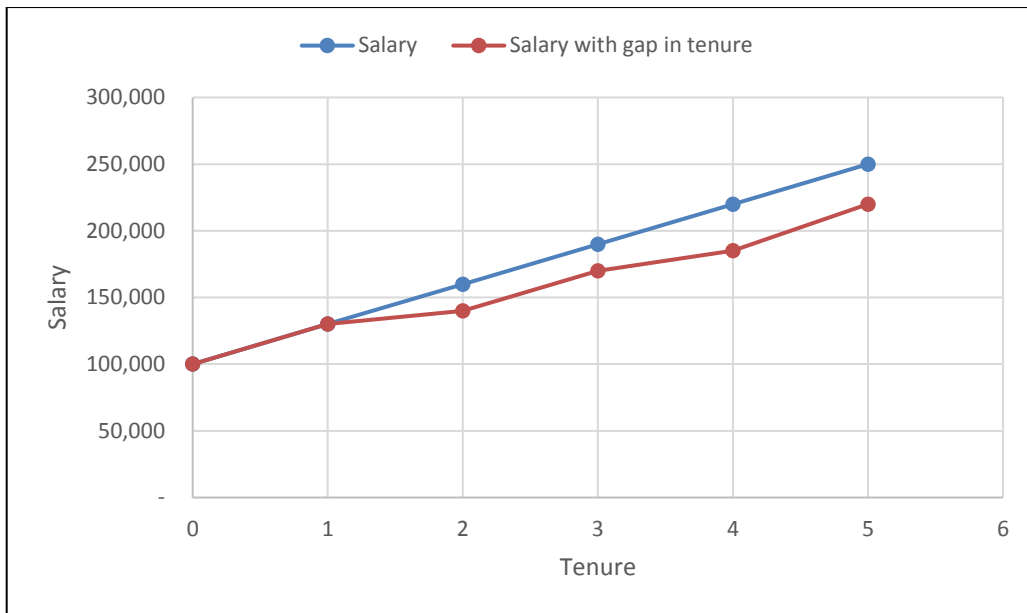


Exhibit 1 Exhibit 1, that he used to illustrate the break in service due to maternity leave, and the impact on pay. The numbers used are fictitious but the impact of the break in service on the salary is illustrated clearly.

“The lady goes off, she has a child, somewhere there, right [pointing to the graph showing the point of intersection of First child]. I think what happens is, like you say, you miss a review cycle or performance cycle, whatever the case might be. Generally, for some reason, even though it’s a six- month period, you will always miss a review cycle of some sort, somewhere along the line. So, the question is, how big is that gap in a review cycle? Because when the person comes back, like in your case, the business has moved on...Do it twice, if you have a second child, the gap gets bigger right [pointing to the graph showing the point of intersection of second child], because this business carries on moving, that’s where you should’ve been [pointing to the green circle], but you weren’t there.” Participant 6

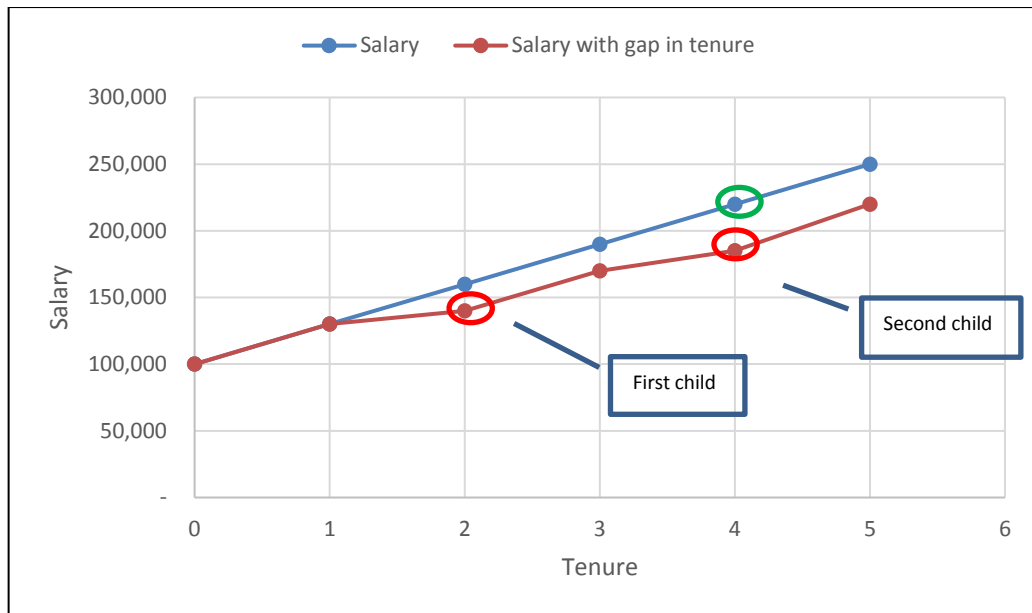


Exhibit 1. Graph on salary plotted against tenure provided by Participant 6

Participant 5 noted that in the past, in her organisation, women were penalised when going on maternity leave, however in recent years, this trend had changed where women going on maternity leave experienced no penalty on their salary or bonus.

“Not really. I’ve seen that improve over the last couple of years. So, at one stage, I would have said yes, if you asked me a few years ago, but, now, no. I’ve had people in my team specifically, going on maternity leave and there was really no impact on their bonus or salary for that matter.”

Participant 5

5.5.3.3 Imposed or inherited factors

The discriminatory practices code group was created due to the various elements that were noted by participants, when the interviewer asked what the reasons for the gender could be pay gap. These elements all had a discriminatory pattern in them and were all practiced in the workplace. The top three constructs within this theme are noted in Table 8.

Table 8. Codes within the theme “Imposed or inherited factors”

Rank	Imposed or inherited factors	Frequency of mentions
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1	Unconscious bias in the workplace	28
2	Societal beliefs and culture	22
3	Stereotypes in the workplace	20

A. Rank 1 - Unconscious bias in the workplace

Unconscious bias was the most prominent construct where participants noted that men may be considered first for promotion due to the hiring manager having a familiarity bias towards the men, or that there is a bias against women because women are assumed to all want children and would therefore go on maternity leave. Bias also comes when women's commitment levels to the organisation, post maternity leave, is questioned. These biases are never overt, however through all the interviews performed, it was evident that humans naturally have unconscious biases and although they do not overtly impose those biases in their decision making, the unconscious nature of the bias does impact their decisions.

“So typically, you will see more men promoted because they put themselves up, they network better and when opportunities come up, people tap them on the shoulders just by the fact that they know each other. So, it’s an unconscious bias, the term that I am using... There’s also the perception, I think there’s the unconscious bias against women saying, if she’s a mom, or if she’s young, she’s going to get married, have kids and therefore not be a great worker.” Participant 3

“Let’s say you’ve got a candidate that is a woman and one that is a man, because the woman, depending on where she is in her life cycle, employers may (even unwittingly) prejudice the woman because they don’t see her as committed or as long-serving. Because, at some point she’s going to go on maternity leave, may or may not come back, and the man has got paternity leave, but it’s not significant. And generally, in South Africa he’s not going to be the primary care giver. I think it is unconscious. It is not a conscious decision that employers would sit there and say, “let’s prejudice this woman because she may go off and have a family.” It’s an unconscious bias.” Participant 7

B. Rank 2 - Societal beliefs and culture

Other participants noted that societal beliefs and cultural upbringing played a large part in the discriminatory practices that are seen today, in the home environment and in the workplace. These societal beliefs again are hinged on historical experiences and expectations. Participants also noted that certain cultural groups impose further restrictions on women, be it from men being the dominant partner in a household or girls being raised to not question authority. Participants therefore noted that societal beliefs and cultures played a large part in the gender equity issues we see today, and the related gender pay gap concerns under discussion. The next three quotes illustrate this.

“I think it has roots in culture that is why it is difficult to fix.” Participant 11

“So certainly, in developing countries woman have the short end of the stick, where from a cultural point of view are expected to stay at home, bring up the babies. Education is not important.” Participant 7

“I think all of us suffer from those cultural biases, and I guess it’s worse for men because we put our egos first. We feel we are being challenged even though the points are valid... I think at that point in time you are not aware, because it is normal that you have the last word. If that’s how it works at your house, why should we be different at work? I think it’s those shortcomings.” Participant 9

C. Rank 3 - Stereotypes in the workplace

Another discriminatory practice was that of stereotypes, where preconceived views are imposed on women, without these being tested for correctness. Respondents noted that generalisations based on previous experiences where the base of stereotypes and this was repeatedly experienced in the workplace.

Participant 9 illustrated how “older white” male executives stereotyped women, not understanding why they were all not housewives.

“Normally the drivers of those organisations are older white men. They are intimidating. They come from very conservative cultures where they have housewives. They don’t understand why you as a female think you can come and argue with them in the boardrooms.” Participant 9

Participant 5 noted that men are automatically thought to be more experienced than women, and this stereotype then impacts the female employee who must work harder to prove her worth.

“It’s probably just perception, but I think males are more superior than the female. I think it’s just seen as they have more responsibilities, even though in the reality, they don’t.” Participant 5

5.5.4 Is pay disparities amongst genders an existing concern within industries?

The interviewer posed the question to each participant if the pay disparities between genders are an existing concern within their industry, in soliciting an answer the interviewer then asked if the topic was discussed at governance forums, either within their organisation or at industry level governance committees. Table 9 provides a list of the themes that were noted in answering this question.

Table 9. Themes relating to “Gender pay gaps being a concern”

Rank	Themes	Number of codes within theme
1	Topics of discussion	6
2	Concerns relating to discussions	2

5.5.4.1 Topic of discussion

Under this theme of the gender pay gap being discussed as an agenda topic, feedback received was that various gender equity topics were discussed at both levels, industry, and organisation. Further at organisation level and industry level, respondents noted that the topic of gender pay gaps was actively discussed. The next two quotes confirm the topic is discussed.

Absolutely, so we are looking at it across the globe. I haven’t talked a lot about Africa but it’s just because in the UK they’ve just regulated it, but we are genuinely looking at it.” Participant 3

“All the time, yes.” Participant 8

Respondents noted gender equality in the workplace was still a prominent discussion, either due to workplace harassment, poor treatment of women or ensuring equality opportunities and diversity in the workplace.

“I think there’s an added focus now for more equality in the work place. Where it’s triggered from, I’m not 100% sure, but there could be multiple factors, whether it comes from treatment of women in the workplace, harassment, all those factors that leads to the next question of what’s happening on the pay side then? ... I do think that equality in the workplace is getting more attention now. And there are some, as you’ll probably be aware of the higher profile cases that are around the world around the treatment of females and so on, in the workplace.” Participant 6

“From a chemical perspective, we have large operations and sales offices in the whole of Europe and Eurasia. With EU legislations, the whole issue is very top of mind, not only in terms of gender pay gap but also in gender employment ratios.” Participant 12

Only two participants noted that the gender pay gap phenomenon was not discussed in their organisations. One participant noted that the topic of concern was more on race equality and attributed this to the environment being unionised. The other respondent, the CEO of an advisory firm attributed this to there being no issue on pay disparities in his organisation. The two respective quotes are noted below.

“Well no, it’s not a topic.” Participant 2

“Not at all. No. And really because I think if you have a simple look at each of the bands you will see there is quite a scatter of women and men, from highest to lowest. It looks a bit like a scatter chart.” Participant 10

5.5.4.2 Concerns relating to discussions

When addressing the question of whether gender pay gaps were discussed at governance committees there were three mentions from participants that were concerning. Two participants noted that the gender pay gap discussion was not a

strategic discussion for their organisations and hence was not discussed at governance committees, both participants linked their responses to female representation in senior positions. This is shown below in the next two quotations.

“No. I don’t think it is an agenda item on a strategic level. I think what remains as an agenda item on a strategic level is how to break the glass ceiling for women, for them to reach Exco level. They don’t necessarily think about what we should pay a woman when she reaches this level.”
Participant 1

“No. if it was you would see more females in management positions. I think it’s not a priority.” Participant 11

The other concerning comment was that raised by Participant 9 who related a discussion he had with a female colleague. He was surprised to hear that although she held a senior and persuasive position in Company E, she was fearful of being ostracised if she challenged the status quo relating to gender pay gaps.

“It doesn’t really help that the groups don’t meet and discuss the issues collectively. I was talking to a friend of mine, she works at one of the top 10 consulting engineering firms in South Africa. She’s the only (Company E) member. She’s been at (Company E) for the past 10 years, and I was asking her, “why do you allow the thing to perpetuate, how come you haven’t changed the status quo?” And she said you get to a point where you ask yourself, “is it worth it, arguing with these people, will I win the battle, what if I lose, will they kick me out of this place?” Participant 9

5.5.5 Programs or efforts to address gender pay gaps

The last question in the interview guideline that was created to answer research question 1 was, whether there were any programs or efforts that organisations had undertaken/were undertaking to remediate or address the gender pay issue in organisations. One theme emerged, remediation efforts were underway.

The responses received were predominantly confirming that programs and remediation actions were in flight or already implemented. This can be seen in **Table 10** below. Only

one interviewee confirmed that no efforts were being taken or being planned for remediation actions to address gender pay gaps. Further eight participants confirmed that existing legislation continues to be a push factor to ensure that organisations are addressing gender equality and gender pay gap issues.

Table 10. Codes relating to the theme “Remediation efforts underway”

Rank	Codes	Frequency of mentions
1	Women empowerment embedment programs	20
2	Laws for equality	14
3	Levelling up the salaries	8

5.5.5.1 Women empowerment embedment programs

A prevalent response on women empowerment programs was noted from majority of the participants. Participants expressed that these empowerment programs needed to be supported or led by their managers, as managers were seen to be the leaders or the parents of the organisation. There were also utterances of all employees acknowledging their biases so that they could be aware of them and then combat unconscious bias in the workplace. From section 5.5.3.3, it was evidenced that unconscious bias in the workplace was very much a living practice that impacted women negatively.

“Everything comes back to the manager. Whatever the reason is; development, pay, job satisfaction, benefits, everything links back to the one person because that one person is the parent in the organisation.” Participant 2

Participants also confirmed that every employee within the organisation had a responsibility to ensure fair treatment of all staff.

“So, when you talk about embedding woman development, it’s about the everyday decisions, so when we hire, when we look at our retention rates, when we look at our talent pool, when we look at our participation on learning programs, when we look at all of that kind of stuff, we trying to get the right mixture to make sure we don’t have 80% male participation for example and 20% female, so you have to kind of embed it into everyday practices. When you do culture work, you always embed into everything, you embed into you

rules, your recognition.” Participant 8

“It’s more about a genuine effort to make the ones that are already in the organisation feel that they are part of the ambassadors of the female agendas. When they are there they should be able to influence company policies to be friendly to women.” Participant 9

Various programs were noted by many of the participants, these ranged from talent labs, to maternity integration programs, maternity leave benefits for either male or females when both parents work for the same organisation and flexible work arrangements to name a few.

“There’s a Deloitte Talent Research Lab that takes you through 2-day psychometric assessments, case studies, and role plays to identify developmental areas in terms of competence and specific traits...We also have a senior executive programme that’s not just for women, but it is for all employees of high potential.” Participant 12

“One of the programs and the facilities to put in place to still enable them to get promoted; we don’t have great programs around, and this is just a general statement, around South Africa, globally, around integrating women back into the workplace once they have comeback from maternity leave and that causes another challenge, because while you’ve been away in South Africa for 4-5-6 months...then you’re a year behind your male counterparts in terms of where you were a year before that.” Participant 3

5.5.5.2 Laws for equality

Many participants confirmed that legislation drives the organisation to address gender pay gaps and gender equality issues. Albeit in some instances the spirit of the law is not fulfilled and the exercise is performed to benefit the organisation and not the employee, this was illustrated by Participant 1, whereas the response from Participant 3 expressed the benefit to the employee

“Employment Equity is a big driver where when we have to look at our score

card, we would put a female first over a male because it's going to make our BBEE score better, so if we have to decide on a female board member versus a male board member and they've got the same skill set, we would see how many points we get. That has helped a lot in terms of decision making." Participant 2

"I think things need to be as simple as possible, but this is one of those areas where you do need it, to ensure that we do align to the laws of equal pay for equal role, but more so that we do the right thing for our people." Participant 3

"Equal pay for work of equal value is a piece of legislation that got passed and companies must take seriously. That piece of legislation is applicable to all industries, but it would tend to be larger companies that pay attention to it, not smaller. So that's the first issue; that the drive is at the larger and not at the smaller companies." Participant 7

5.5.5.3 Levelling up the salaries

Another remediation effort that was clear from respondents was that of organisations increasing disadvantaged employees' salaries to be on par with others performing the same function. This was coded as "Levelling up" and the quotations to demonstrate this effect are noted below.

"But, they are trying to fix those things. So that's why I got almost like a 50% increase in one year. So, they are trying to fix it and make sure that they stay within that band." Participant 4

"What we've done now, one lady in my team was at the same level as the guys, we tried to level up. Basically, saying that, "if you do the same work, have the same number of years of experience, similar qualifications, you should all earn the same salary." Participant 9

5.6 Results for Research Question 2

What is the perception of which gender is more fairly treated in terms of pay?

The aim of Research question 2 was to establish which gender was more fairly treated in terms of compensation. This research question allowed for the interrogation of why this may be the case and allowed the researcher to gain insights on which trends were most prevalent in uplifting one gender over the other.

5.6.1 Job promotion and job opportunities being awarded more to men

The interview question posed was to gain insight on the participants perceptions of which gender was awarded promotions and job opportunities more often. In analysing the responses, the below themes were noted as seen in Table 11 **Error! Reference source not found.**

Table 11. Themes emerging from “Opportunity and promotion”

Rank	Themes	Number of codes within theme
1	Men are favoured over women	3
2	Equal offerings for both genders	1
2	Dependent on race and gender	1

5.6.1.1 Men are favoured over women

Participants noted that men get offered various opportunities, sometime not due to favouritism, but due to the nature of the work, perhaps involving travel, or being in placed in areas that are unsafe for women.

“So, certain opportunities are provided to men. For various reasons, those opportunities are not provided to women and I think it comes down to sort of common sense. I don’t particularly want to send out a female to audit a stock machine in a tavern because of the nature of the job. I’d rather send out a young man out there.” Participant 1

Other participants noted that opportunities related to training and investment may be offered more to men than to women, due to organisation’s viewing men as the more committed gender, and therefore can reap the rewards of their investment due to men being less likely to break service with maternity leave or break service entirely for care responsibilities.

“So, I think it’s an unconscious bias where you’ve got a man and a woman in the same job, this woman is going to go on maternity leave and you can send one to Harvard for a leadership program for R 80,000 and you have to choose one, chances are they are going to choose the man if their performance is equal. Because they are like “let’s invest in the sure bet, not the...”.”
Participant 7

Participant 9 illustrated that men are allocated more work, and therefore are better aligned for job promotion and increased salaries.

“Even when it comes to work allocation the guys will be given more responsibilities which ultimately equal to more pay. I think that is where the issue comes in.” Participant 9

Participant 12 confirmed that men are promoted over women, especially in senior roles, this was attributed to men already occupying these senior roles and therefore are the pipeline for the CEO positions. This observation is linked closely to the insight made on “Who then is responsible for ensuring the female voice is heard?.” Without women in senior leadership roles, the glass ceiling issue perpetuates, men continue to be promoted over women, men continue to hold senior positions, and men continue to recruit from within their own networks. Participant 9 and 12 describes this aptly.

“Mainly because the people making those decisions are normally men, and they are always going to promote the guys that they play golf with, smoke with. So that whole bias just continues. It’s the same as allocating more interesting and complex tasks. Men are always comfortable giving it to another man.” Participant 9

“I’d love to say no but, I have to say yes because I do think that particularly at very senior levels women are struggling to compete with men because they bring a very different profile to the workplace and I think as long as you have majority men in your executive committee then you’re going to have majority men who are CEO’s.” Participant 12

An interesting insight noted by Participant 11 was that the repercussion of the historical nature and societal culture that existed in the past, has resulted in organisations being

structured by men. This meant that men were the dominant gender in the workforce and the structures were setup to accommodate men and not necessarily women. This concept illustrates that the discriminatory practices that were instilled centuries ago still have massive impacts on the working class today.

“I guess, when you look at a culture of an organisation, it is very... companies were set up by white men, so they suit white men. They are built to be comfortable for white men, or even if you ignore race, women that come into a company have to conform to, or flex to an environment which is primarily considered a male’s environment.” Participant 11

5.6.1.2 Equal offerings for both genders

Three participants were clear that promotion and job opportunities were not awarded to men more than women, this was attributed to company culture and company policy. The participants noted that job offers would be made to the most competent and suited incumbents and not based on gender. Below are the quotations to illustrate this.

“In my personal experience, actually not. When my managers that report to me do interviews, there’s no preference if it’s going to be men or ladies that get appointed.” Participant 4

“So, I think in terms of who would be the candidate selected, it would be on what each person is capable of and experience, and whoever is more fit for the role.” Participant 5

“When we get someone, who is capable; when we get someone who is dedicated, we do everything we possibly can to hang on to them.” Participant 10

5.6.1.3 Dependent on race and gender

Participant 2 made similar comments on race and gender, thereby solidifying the perception that historical biases still play out in the current work environment.

“And again, it is that white people prefer to work with white people, black

people prefer to work with black people, so, what does your top structure look like? Because that does drive the decision. They will bring a black person in here and there, but their preference is to work with a white person. The same with Indian people, when this top structure is heavy-weighted on the Indians, they prefer to work with... and it's just a normal human response. You can't take that out of the equation." Participant 2

5.6.2 Men attracting higher salaries when doing the same or similar work to women

In gaging the extent of perceptions, the researcher sought to understand which gender was thought to be paid more. This was to aid the remaining questions in the interview guideline, where the researcher ultimately sought to understand that if the perception of gender pays gaps existed, and the perception of men earning more than women existed, how this would impact job satisfaction. Table 12 highlights the most prominent themes that were noted in answering this interview question.

Table 12. Codes relating to Perceptions on which gender is paid more

Rank	Codes	Frequency of mentions
1	Men attract higher salaries	15
2	Men and women earn equal pay for equal roles	2
3	I do not know if men are awarded higher salaries	1

Nine of the participants affirmed their perception that men were paid more than women, in some cases this perception was based on their experiences within their organisations, and in other cases this perception was based on external stimuli. These quotations illustrate the various views of respondents.

"I do believe that, but it's purely because of what base does the male start on and men generally have a higher base that they start on and men are tougher negotiators than women." Participant 2

"So, the perception in our environment was that the answer was yes, men do have higher salaries. I'm betting that some of that perception was based on reality and knowing the data when people answered the question and therefore I think there's some truth to it." Participant 3

“I wrote an article about two or three years ago for the SABBP on gender pay gaps and I did a lot of research on it, and it’s very clear that around the world its problematic.” Participant 12

Respondent 1 who has recently started her own advisory firm, was in a unique position to start salary awards for her employees from a clean base, ensuring that all employees regardless of gender earned equally, her response was,

“Across the bands and educational backgrounds everybody earns an equitable salary.” Participant 1

Participant 12 noted that women earn higher median salaries than men because they are a scarce resource. In the energy sector women are poorly represented and therefore to attract more females to this sector, they are offered higher salaries, this however still contributes to the gender pay gap, in this instance women are favoured over men.

“But here in our business, in fact in South Africa, we find that the median salary for same job for women is slightly higher than for men. Simply because it’s a scarce skill because we’re not able to hang onto them and we’re not able to attract them so we pay them more.” Participant 12

Participant 10 was the only respondent who could not provide a view on this, noting that he was unaware of which gender, if any was awarded a higher salary.

5.7 Results for Research Question 3

What is the perception of pay inequality’s impact on job satisfaction?

This question aims to determine if unequal financial rewards to a specific gender could result in low job satisfaction or job dissatisfaction. The answer received allowed for further discussion on the impact job satisfaction could have on the organisation.

5.7.1 Unequal remuneration towards women impacts their job satisfaction

In trying to understand whether remuneration impacted job satisfaction, the researcher asked the participants whether they believed that unequal pay for the same job, would

cause dissatisfaction. A myriad of views was shared, these were aligned to two themes, as shown in Table 13 below.

Table 13. Themes emerging for Impact on job satisfaction

Rank	Themes	Number of codes within theme
1	Compensations impact on Job satisfaction	4
2	Job satisfaction and equity	2

5.7.1.1 Compensations impact on Job satisfaction

Table 14 shows the top three codes that were created and grouped into the theme of Compensations impact on job satisfaction. These are discussed further in this section.

Table 14. Codes under the theme "Compensations impact on job satisfaction"

Rank	Compensations impact on Job satisfaction	Frequency of mentions
1	Unequal remuneration towards women does impact job satisfaction	20
2	Job satisfaction is not only influenced by compensation	8
3	Compensation expectation impacting job satisfaction	5

A. Rank 1 - Unequal remuneration towards women does impact job satisfaction

Ten of the participants, confirmed that pay has a strong alignment to job satisfaction, and therefore unequal pay for the same work between two people would result in job dissatisfaction.

Participant 1 noted that if pay was a driving contribution for an employee's reason to work then the salary received would impact them significantly, whereas if pay was not a driving contribution, the employee would be indifferent about the financial reward received.

"I do think that pay aligns to job satisfaction, but it depends what you want to get out of it. If you are dependent on a salary at the end of every month versus having a job because you want to get out of the house, then what you earn is relevant." Participant 1

Responses of Participants 3 and 5 suggest a strong belief that pay directly impacts job satisfaction.

“100%. If you believe you doing exactly the same job.” Participant 3

“It will, definitely, yes.” Participant 5

B. Rank 2 - Job satisfaction is not only influenced by compensation

Other participants also noted that job satisfaction is not only linked to remuneration, as there were many other aspects of a job that could provide satisfaction to an employee.

“You can’t always attribute it to money because people have become wise enough to know that, I don’t just need a job for money. Job satisfaction supersedes money.” Participant 2

Participant 12 noted that employees would not only be motivated in their jobs by the money they earn, but also because they believe they are making a positive difference in the type of work they perform. This construct was noted by many of the participants; job satisfaction is not only driven by money. Participant 12 however noted clearly that while she loved her job, money is a large factor that brings her job satisfaction, and specifically she noted that if she was paid unequally or unfairly when compared to her male peers she would be dissatisfied.

“If they are motivated by making a difference, or motivated by helping others, achievements such as landing certain projects for certain clients then perhaps it doesn’t. To me it does - I work for money! I love what I do, and I love the fact that I can make a difference, but I need to make money, so it would be a demotivator for me to know that my male counterparts earn more than me without good reasoning.” Participant 12

Participants cited aspects of a job that bring satisfaction, fulfilment of a specific function to make a difference in other lives; team or company culture and treatment of the employee at work all contribute to an employee’s feeling of job satisfaction. Participant 6 likened job satisfaction to job fulfilment and described what fulfilment of a job would mean to him, earlier in the interview he also noted that he did not believe that job

satisfaction would be impacted by an employee's remuneration, however he did confirm that practically in the workplace, this is exactly what happens, and often leads to turnover when pay impacts satisfaction.

"That's what I'm curious to see because in my mind I'm thinking, that job satisfaction means fulfilment...the way people are treated at work and basically fulfilment being, "I'm happy with what I do, the type of work I do, the level on which I'm doing it" and so on, is there a correlation that the remuneration is part of it and could result in a lack of fulfilment? So, that's where I'm curious to see what your results will be at the end." Participant 6

C. Rank 3 - Compensation expectation impacting job satisfaction

Another clear thought that was expressed was that of employees having an expectation of the pay they would receive, this is the creation of a psychological contract. Participant 4 made a comment that she would expect the organisation to pay her fairly, and hence did not see the need to have to negotiate for the fair compensation. Upon learning that she was paid 50% less than her male peer, she was disappointed, and this constituted a breach in the psychological contract, however she was glad that her organisation rectified their mistake.

"I expect them to make me a good offer, in terms of what they think I'm worth for the company, probably a naïve way of thinking, in terms of just saying, "Oh, I'm sure they will pay me what I'm worth" without going into a negotiation." Participant 4

Participant 10 also highlighted the psychological contract breach and the impact it has on the employee and the organisation.

"If there's any disruption in terms of expectations or perceived fairness that creates a point where people start looking elsewhere even if it's subconsciously. They will take the call from a head-hunter; they are just much more vulnerable to be taken by someone else." Participant 10

5.7.1.2 Job satisfaction and equity

The remaining themes that were noted was that of job satisfaction being impacted by comparisons of earnings to internal co-workers and comparison to external colleagues. These codes are shown in **Table 15** below.

Table 15. Codes related to "Compensations impact on job satisfaction"

Rank	Compensations impact on Job satisfaction	Frequency of mentions
1	Job satisfaction and internal equity	8
2	Job satisfaction and external equity	1

A. Rank 1 - Job satisfaction and internal equity

In answering this question, participants provided feedback that when there is internal inequity, job satisfaction is likely to decrease. This means that should an employee become aware that their peer who is performing the same role, or a junior role to them is earning more than their salary, the employee would become dissatisfied. If the employee learns of a colleague in another organisation earning more than him, the dissatisfaction level is not as high, but still does exist.

"If you are a sales manager and you playing a round of golf and your speaking to your mate at a competitive company who's a sales manager as well, and you say, "how much are you on? And he says I'm on 600k a year". And you're on 550, you'll be a bit pissed off, but so what? Same scenarios, two sales managers from the same company, and you find out he's on 600 and you are on 550 - huge problem. So, internal equity is a much worse problem, and a gender pay gap is about internal equity. People generally don't go, "I'm a woman working in Vodacom and I'm comparing my salary to a man working in MTN." They say, "I'm a woman working in Vodacom and I'm comparing myself to a Vodacom man." This is the crux of remuneration, if you have internal [in]equity it really undermines the company." Participant 7

B. Rank 2 - Job satisfaction and external equity

Only one participant noted direct external inequity as an example, and this illustrated her job dissatisfaction with her organisation, due her colleague in another company earning more than she did. This participant explained that her colleague had similar or less experience than she did but was at the same seniority level and performing the

same role as she was. Given there was no other factual evidence of earnings of internal employees, this participant had to use evidence outside her organisation to approach the topic of gender pay gaps with her manager.

“When I approached my manager and I gave her information based on friends outside of (Company J), that work in a similar environment; that was something that she took to her management team to say that, “Look, this is factual information that we’re getting from outsiders, can something be looked at?” Participant 5

5.7.2 Implications of pay inequality on female employees

The researcher sought to understand what the implications of pay inequality would be on a female employee, however many of these implications related to both genders. Two themes emerged as shown in **Table 16**.

Table 16. Themes related to "Implications of pay inequality"

Rank	Themes	Number of codes within theme
1	The impacts of dissatisfaction	13
2	Employees experience	3

5.7.2.1 The impacts of dissatisfaction

Figure 3 shows the network diagram with various codes that were generated when the question of implications on the individual was posed.

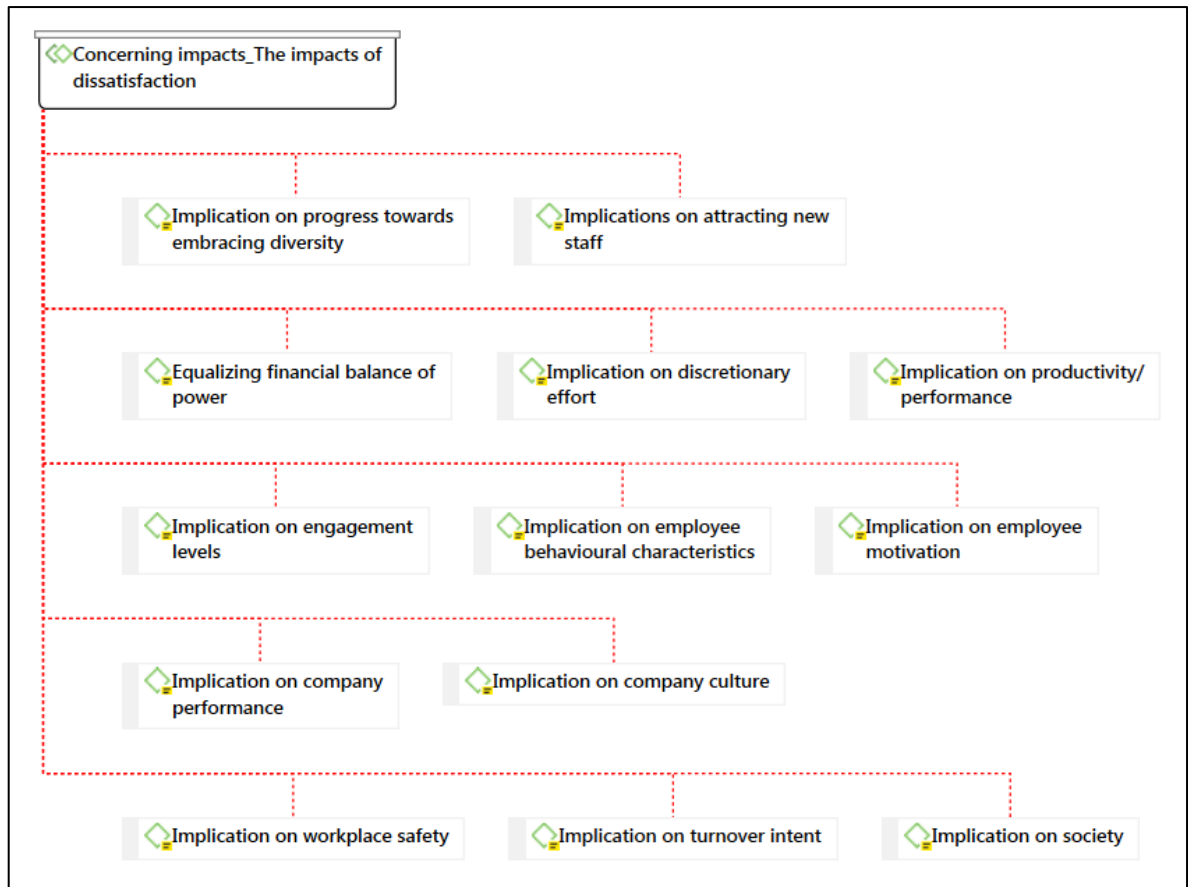


Figure 3. Network diagram of codes related to "Implications on the employee"

Source: Authors own

Only the top three implications will be discussed and can be seen in Table 17.

Table 17. Codes generated for the theme "Impacts of dissatisfaction"

Rank	The impacts of dissatisfaction	Frequency of mentions
1	Implication on turnover	20
2	Implications on behavioural characteristics	12
2	Implication on progress towards embracing diversity	12
3	Implication on productivity/performance	9

A. Rank 1 - Implication on turnover

Nine of the participants confirmed that when pay inequality exists, employees do get dissatisfied and the ultimate impact is that there is an intention to leave.

"But ultimately, I'd be very disappointed in the organisation, its visions, its

missions and its value and I would possibly sit down and think back and workout whether I actually want to be part of this organisation or not, do I see my future here if I'm being held back because I'm a woman, or earning less because I'm a woman, without necessarily being given the feedback and I find out secretly." Participant 1

"If a person is not paid appropriately they're going to look elsewhere and then we will lose our most talented people which is really shooting ourselves in the foot." Participant 10

Participant 12 noted that remuneration is big factor in the reason why staff leave their jobs, if they are dissatisfied with remuneration there is an intent to leave, she demonstrated this with her own experience.

"It could well be that it becomes a retention issue. That's probably the reason why I left (Company B) - I love (Company B) but what happened was that my line manager paid black people more because she believed that black people had suffered in the apartheid legacy. But I said that's not a reason to pay people more, you can fix it through the BEE plans or through advanced development, but you can't give them 10% and if I have a better performance rating you give me 4% - so I left. It becomes a retention issue." Participant 12

Participant 3 was asked what changes we could expect to see if similar legislation as that of the U.K. Legislation on Equality Act 2010 Regulations 2017 No. 172 were to be imposed in South African Financial services industry. Her response was positive, and she cited various benefits for organisations.

"So, very positive change, you'd see more women come into the environment, which would be a very positive, to create more diversity and inclusion, because I think it is a really tough... not that any other industry isn't... but it's quiet a tough environment for women and if you not earning as much as your counterparts then I think there is some question around whether you should stay and not move into a different industry. So, we would probably retain more women, we'd see more women entering the market. We would certainly see more equality from the social and economic...it would be a very interesting boardroom table if there was gender equity." Participant

B. Rank 2 - Implication on behavioural characteristics

Where employees are dissatisfied and feel that they are not being heard and valued, their behaviour may become negative. Participant 6 noted that disgruntlement would likely be seen with these employees. This may lead to a grievance being lodged with Human resources teams.

“What the gender pay gap would probably do, is create disgruntlement, or grievance for the female counterpart and that would cause unsettlement and probably force the person to look elsewhere for a job that pays better. So, I’m differentiating between job satisfaction, compared to disgruntlement.”
Participant 6

Dissatisfied employees can also impact those around them, negativity breeds negativity, and this is a business risk for organisations. This was iterated by Participant 8.

“I think if you are in a large corporate environment where you’ve got a network of people, women and males and females and you’re dissatisfied and that results with your dissatisfaction with other stuff. It may not be remuneration specific anymore, but that then through your network kind of permeates into the perception of the organisation. So, besides your discretionary effort and all of that, through your networks, you can impact the discretionary effort of those around you.” Participant 8

C. Rank 2 - Implication on progress towards embracing diversity

The quotations of the two respondents below illustrates that diverse thinking, diversity in gender and diversity in race has many benefits to organisations, and the gender pay gap phenomenon limits this diversity.

“Then you have another challenge, the impact on the female employee, if she leaves, your statistics at your board level, which we discussed earlier, will never be improved; what is the impact of that? You will never have

inclusion and if you never have inclusion and not just females, you want to bring people of different backgrounds and different environments and different approaches to push the organisation to the maximum possible thought level. And if we have a lot of like-minded individuals sitting around a table that's just never going to happen and the possible potential of the organisation is reduced." Participant 3

"I think it's important to bring more diversity into the room, of which bringing ladies into the boardroom as an example, is one of them." Participant 4

D. Rank 3 - Implication on productivity/performance

In answering the interview question, participants also cited the impact of disengagement leading to decreased performance or productivity. Participants noted that if they felt that the organisation was not treating them fairly with regards to their pay, they would discuss this with their employers, and still if there was no change, they would ultimately become disengaged and exert less effort in their roles.

"I think if anyone feels that they are being unfairly treated; if you're selling your work at a rate you believe is fair and suddenly you find that rate is not fair, you're going to reduce your productivity. And rightly so." Participant 11

In some instances, participants noted that they would continue to strive to make their efforts be seen, however it was unclear how long they would continue striving for this with no recognition.

"It's going to make you very unhappy and if you desperate for the job, you probably going to stay there, but if your nature is one where you continue giving, you will continue giving or you could turn around and do the bear minimum and get what you get. Or you could strive to continue to do more and more to try and sort of close the gap." Participant 1

5.7.2.2 Employees experience

This theme emerged as it aligned to what the employee would experience, and this view had to be shared for a holistic view of the gender pay gap issue on employees. The codes related to the theme are noted in **Error! Not a valid bookmark self-reference..**

Table 18. Codes related to "Employees experience"

Rank	Employees experience	Frequency of mentions
1	Employee/Employer compensation conversations	19
2	Employee self-worth/employee value proposition	12
3	Psychological contract breach and organisation commitment	11

A. Rank 1 - Employee/Employer compensation conversations

Participants noted the importance to organisations for managers to be having open dialogue with their staff, this aids in understanding the employees mental and emotional state and allows for the organisation to justify and explain any pay disparities or to rectify it. The repercussion of dissatisfaction has been touched on earlier, many of these repercussions have an actual financial impact on the organisation, therefore there is value in having open discussions with employees on the topics that may lead to dissatisfaction.

“As management, you’re not on the ground, you’re not understanding what’s happening amongst your people and you’re not listening. And this circle... the situation will perpetuate itself across every level, which is why the 360s and the whole process of dialogue and performance management is critical.”

Participant 1

Participant 8 noted that managers may not be equipped to have the correct discussion with employees, this leads to angst due to the uncertainty relating to the decision that led to compensation rewards being affected.

“But I don’t think that we get the reward conversation right. I think that what happens is still very much, here’s your number, well done, congratulations, this is good. The person looks at the number and kind of goes...I was a top

performer but you are giving me a 3% increase, and then the manager isn't comfortable or isn't equipped to go, "yes, but you currently paid at the 90th percentile, your colleagues actually need to be caught up, you are an exceptional performance therefore we've increased your bonus"." Participant 8

B. Rank 2 - Employee self-worth/employee value proposition

A very real impact of perceptions of unfair treatment towards employees, has an impact on the employee's self-belief which impacts their value proposition. This was demonstrated by many of the participants as noted below.

Participant 4 noted how unfair treatment impacted her, when she found out that she was being paid less than her male counterpart.

"Still, the fact is that I was paid much less, and I felt that I had more duties and responsibilities even though we are on the same level. I had 400 people, he had 20 people under him. It's a situation that makes you negative, and it makes you feel treated unfairly." Participant 4

Participant 3, in her capacity as Human resource business manager articulated that organisations want their employees to be engaged and committed so they can deliver good results, however when there is a threat to how employees see themselves, which is based on how their organisations view them, it becomes difficult for employees to give their best efforts.

"So actually, we want people to be delivering their best on a daily basis and it's because they are fundamentally committed to the organisation and they see the achievements of the organisations aligned to the achievement of themselves." Participant 3

C. Rank 3 - Psychological contract breach and organisational commitment

The aspect of psychological contract breaches surfaced a few times in the interviews, where participants mentioned that they had expected that their employers would pay

them fairly, or they articulated that there was no need for negotiation because the expectation would be fair pay for the role the employee was fulfilling. The impact of psychological contract breaches on employees and organisations are paramount, the below quotations illustrate how employees do hold these contracts cognitively.

“I think I always had the view that I expect people to pay me what I’m worth. I expect them to make me a good offer, in terms of what they think I’m worth for the company, probably a naïve way of thinking, in terms of just saying, “Oh, I’m sure they will pay me what I’m worth” without going into a negotiation.” Participant 4

Participant 5 noted the importance of having conversations with the employer to ensure that both parties are aware of any perceptions, unhappiness, or uncertainties.

“And personally, I think, because I have never said anything before, she thinks I am satisfied with what I am getting. And the fact that I raised it made her then take it further.” Participant 5

Participant 11 effectively demonstrated that when psychological contract breaches occur, employees become disengaged and this is a business risk.

“I think what is more damaging for corporations is that if you have a break of psychological contract for an employee who has been in the organisation for some time because that person you have invested in, in terms of upskilling them, making sure they understand the corporation, making sure they understand whatever it is that you require of them, they are pretty much in autonomous mode for most of the day because their skills are automated already, and if you break the psychological contract at that level, you get “presenteeism”. So, people just pitch up for work and they go “I do not care that I’m not productive anymore because I’m getting screwed. I don’t care that I’m not doing anything.” Participant 11

5.7.4 Conclusion

The results of the three research questions was in support of the literature review, where participants confirmed that the gender pay gaps is an existing phenomenon in the South

African labour market. The findings confirmed that the gender pay gap issue is more prevalent within the private sector and this may be attributed to pay secrecy rules, they also confirmed that gender pay gaps were more predominant in senior levels of management. Participants noted that there were varying degrees of awareness of gender pay gaps within the female staff compliment and the more senior an employee was, the more likely they were to be aware of the gaps. Of interest was that participants noted that with little female representation at senior and executive levels, the issue of gender pay gaps may not be discussed at a strategic level and therefore would not receive the attention it needs. Contrary to the literature review that was swayed heavily towards motherhood and care responsibilities being the biggest driver of the gender pay gaps, the data gathered confirmed that the company constructs, specifically salary structures and frameworks where the biggest contributor to gender pay gaps.

Participants provided confirmation that men were treated more fairly than women in terms of being awarded higher salaries, promotions and job opportunities. In line with the literature the findings revealed that pay inequalities have a direct impact on job satisfaction and this decreased level of satisfaction then impacts the individual employee's behaviour, discretionary effort, productivity, performance, intention to leave and self-worth perception, amongst other things. The findings also revealed that when an employee is in this state, there is a business risk to the organisation as negative behavioural aspects start to play out. Breach in psychological contracts were also noted and had an impact on employee's behavioural states.

CHAPTER 6. Discussion of Results

6.1 Introduction

Chapter 5 provided a view of the results per research question; this chapter will discuss the findings in detail by drawing linkages to the literature review which either supports the findings or contradicts the findings. The insights gained will aid in improving the understanding of the gender pay gaps and the impacts on job satisfaction. In relation to each research question, the researcher has presented the related literature.

6.2 Discussion of results for Research Question 1

To what extent is there belief that gender pay gaps do exist?

Research question 1 was aimed at understanding whether the concept of gender pay gaps was widely believed to be in existence in the South African labour market or not. Through the works of Blau and Kahn (2017) it is understood the gender pay gaps are a global phenomenon. (Bosch, 2015) noted that pay gap inequalities have been in existence since the start of women entering the labour market. The StatsSA (2016) report on Labour market dynamics, confirmed that men earned more than women in both reporting years 2010 and 2015, and Bussin and Nienaber (2015) equated the gender pay gap to be 15% to 17% in favour of men in South Africa.

In addition, the research question aimed to solicit data on awareness levels of the gender pay gaps within organisations, perceived reasons for the gender pay gaps, to determine if gender pay gaps was discussed at organisation and industry levels and what programs were directed at addressing the gender pay gaps.

6.2.1 Prevalence of gender pay gaps in South Africa

Participant's hailed from various employment sectors and industries, and in every industry category, at least one participant confirmed that the gender pay gap issue was a real phenomenon in the workplace. The analysis revealed that there were varied perceptions on the gender pay gap existence, with informants noting that it would take several years for gap closure. This was illustrated when one informant said "But, with more women on Exco's and boards and Manco's and OPCo's, potentially, in the next 200 years we can try and eliminate the gender gap." The Institute for Women's Policy Research (n.d.) made a comment that the gender pay gap would only be closed in another 41 years if the pace of progression continued as it had been for the last 50

years. This illustrates that the gender pay gap issue has had slow progress and the respondents comment confirms that this slow progress is replicated in the workplace.

Majority of the participants noted that at higher seniority levels in the organisations, the pay gaps are more distinct, this is in line with Bertrand and Hallock (2001) findings of a 46% gender earnings gap between senior and middle level managers.

Other discussion points that were raised was the view that in the public sector there was more transparency in employee earnings and that regulations and policies ensured that the gender pay gap was minimal, this was also indicated by an informant who noted that gender pay gaps in the public sector were limited, he said “I think in government it’s not that much, when you’ve been there for longer.” As per Mandel and Semyonov (2014), policies for equal opportunities and anti-discrimination were more effective in public sector organisations, this therefore substantiated the view of fairer treatment of female employees, in terms of opportunity and reward in the public sector. Vaughan-Whitehead (2013) also noted that in the public sector, wage premiums were common and the gaps between low and top employment levels within public sector was much smaller than those seen in the same management levels in the private sector. These points substantiate the views received from participants where the public sector is more protected from gender pay gap discrepancies than the private sector is.

While some participants noted pay gaps, they did not attribute this to gender being a factor. Khoreva (2011) noted that many employees may join organisations with expectations and motivation and believe that the organisation is a platform for equal pay and promotion, this is due to the widespread belief that gender pay gaps no longer exists. However, Khoreva further states that these employees are surprised when they realise that there are in fact gender pay gaps and these are due to various barriers that are imposed by society, which favour a certain gender with power and pay. This was seen when a respondent confirmed that gender was not an influencing factor in pay gaps and stated,

“...for some reason, people don’t want to leave this company and I mean, I’ve been there for 18 years. It’s a really nice company to work for. A lot of people say, “what, why are you there for so long?”

Later in the interview this participant however did note that she was unfairly paid when compared to her direct male co-worker who fulfilled the same role as she did, and the

company made a large adjustment to her annual salary, by awarding her a 50% increase split over one year. This is in line with Giapponi and McEvoy (2005) who noted that when a discrepancy in salary is identified, the organisation can correct this through a sequence of incremental pay increases.

Respondents noted that the gender pay gap is a business risk to the organisation, Cumming and Rui (2015) noted that with a diverse board, financial fraud is reduced due to increased scrutiny caused by conflicting views in the board room, this substantiates the argument for inclusion of females on boards as it will aid in reducing business risks due to diversity in the level of discussion.

6.2.2 Are women in the organisation aware of the pay gaps between genders?

Khoreva (2011) writes of increasing public awareness of social inequalities and those involved in campaigns and movements that increase awareness are more acutely aware of gender pay gaps, they therefore support the struggle against pay inequities across genders. Khoreva also states that legislation around compensation and rewards will not in itself close the gender pay gap, however increased awareness of the gap may aid in changing behaviour patterns which leads to the gender pay gaps.

By understanding the awareness levels of the female employees, the researcher sought to understand the level of opposition and challenge female employees may be presenting back to their employers. Based on this level of opposition the researcher sought to understand, in a later question, if the organisations were addressing the gender pay gap and the employees expression of dissatisfaction with compensation.

Participants noted that some of their female employees were aware of the gender pay gaps, these were mostly senior and executive level employees, while other staff were not aware. Khoreva (2011) noted that older employees are more aware of gender pay gaps, this is because they are more socialised on the concept when compared to younger employees. Giapponi and McEvoy (2005) noted that behavioural aspects of an individual perpetuates the gender pay gap. They further purport that a lack of awareness of pay disparities contribute to women not valuing their contributions at work, which may then also contribute to female employees not negotiating higher salaries. Participants cited reasons for employees not being aware due to their priorities not being that of

compensation and reward, but rather career progression or family commitment. One participant said,

“So, if you are looking at women, specifically, and particularly the women who want to have the work-life balance, then they would probably strive to have the children, the family and the balance and put in what they can. Then you may have those women who may not want to have children and families, or who want to reach the peak of their careers and that is that, up until the point where they have decided that they want to do other things. So, depending on the type of female that you are looking at, not everybody is conscious that there is pay disparity based on gender.”

Khoreva (2011) noted due to expectancy theory, that gender composition of a particular sector influenced the perception of the gender pay gap in that sector, where female dominated sectors may perceive the gender pay gap as less significant than male dominated sectors. Further Khoreva also noted that through social dominance theory employees in higher status roles have a higher understanding of what is reasonable and fair compensation, and therefore perceive the gender pay gap phenomenon more than the employees in lower status roles. This was also noted by one participant who said,

“I think at the bargaining unit level, it's not that obvious because in our industry it's predominantly male. It's a male dominated industry. And, the salaries are governed by the wage agreements. It's only when we move up to the more senior levels that you start to see it, but it's probably because people don't talk about their salary at that level as comfortably as they do at the bargaining unit level.”

Many participants were aware of the gender pay gap phenomenon globally and also were aware that it existed in their organisations. Two participants from the same organisation noted that their companies gender pay gap data was released when the U.K. legislation came into effect in 2017. What this revealed was that employees that were aware felt more confident and equipped in challenging the organisation on the pay gaps, and senior managers were willing to address the concerns raised by employees. This finding illustrates Khoreva's point that as awareness of the gender pay gap increases, it can be expected that the behaviours of individuals that contribute to the pay gaps can change too.

“It was around this time last year when it was published, when everyone was revealing their statistics, globally. And I think it was also on the back of this, and it was post this that we had senior management come down as well, to the branch. So, that was quite a big topic of discussion...One of the staff members raised it to these individuals.”

6.2.3 Possible reasons for the gender pay gap

In analysing the answers to this question, the researcher noted that participants had many thoughts as to why the gender pay gap came about and why it still remains. Like many of the authors noted in chapter 2, there were varied views gathered from participants on the reasons or contributors to gender pay gaps. The most conspicuous theme noted however was that of company structures being the biggest contributor to impacting gender pay gaps. While the literature review was heavily swayed in favour of motherhood and care responsibilities being the biggest contributor, participants noted that under the theme of Company constructs, various organisational processes and policies had far outweighed the motherhood and care responsibility argument.

6.2.3.1 Company constructs

The researcher grouped various codes into the theme Company constructs, these codes ranged from unionised environments to pay secrecy, occupational segregation, salary structures and salary frameworks.

Salary structures and frameworks referred to the use of salary bands and using a company policy that stated a new incumbent would be offered no more than a certain percentage threshold over their existing salary. Giapponi and McEvoy (2005) argued that when salary increases are based on current salary structures, the incumbent will struggle to catch up to their co-workers and the gender wage gap is likely to perpetuate. One participant articulated this same point in his organisation, saying;

“If our policy says, “we can only offer you 20% of what your salary was before”, then ladies fall into the same trap, because they were underpaid in the private sector.”

Blau and Kahn (2017) discussed that labour market practices can have a significant

impact on the gender pay gap, with wage compressions and other salary structures that are more commonly seen in unionised environments, aiding in decreasing the gender pay gaps. This was reiterated by one of the participants who said that in the bargaining unit, where blue collar workers are represented, the gender pay gaps were not significant and this was due to the salaries being governed by wage agreements.

Mandel and Semyonov (2014) noted that in the public-sector gender occupational segregation remained a significant reason for the pay gaps, while in the private sector, the gender segregation in the workplace was decreasing and therefore was not as large a contributor as it was in the public sector. A participant in the professional services industry noted that in the past, when consulting as a paid service was still developing, there were very few women in the business, however this trend had changed and women were sought out to join this field. This finding supported the work of Mandel and Semyonov (2014) with regards to occupational gender segregation in the private sector being less prominent than in the public sector.

“...if I look at the consulting teams that I started with before I joined (Company M), they were 100% men and I remember kind of capable women in (Company M) and because some of our senior people, including myself, hadn't worked much with women you know, which is a process of discovery, and there's some of those senior men, now, who I would say are strongly prejudiced to want women on their teams because of incredible attention to detail and they have got the intellectual ability as anyone else has.”

Pay secrecy was noted as one of the largest contributors to the gender pay gap and was ranked in the top ten by the National Committee on Pay Equity in 2001 (Giapponi & McEvoy, 2005). Participants noted that pay secrecy policies were in existence in their organisations and did contribute to the gender pay gaps, with one participant saying,

“I'm not in support. In my team, most of the guys talk about it, I don't really intervene. They kind of know how much each person earns. I'm not a fan of pay secrecy. I believe that if the process is fair, there is no need to hide it. If you hide it you give the impression that there is no fairness in this thing.”

Khoreva (2011) noted that should organisations share information of how pay systems work and the related decisions that are made, this may increase employee's perceptions of their monetary worth. Another participant made similar comments saying that pay

secrecy was an evil, and companies using pay secrecy rules have something to hide.

Charness and Kuhn (2007) noted that pay secrecy may allow employers to lead “quiet lives” due to little substantial evidence that employees can produce in reference to their co-worker’s salaries being different to theirs. This was in line with Giapponi and McEvoy (2005) who noted that in closed systems where pay secrecy prevailed, employers would exert less effort and time about communication on compensation. Giapponi and McEvoy (2005) further noted that when there is a lack of knowledge of what certain positions pay, negotiation abilities are diminished and this further perpetuates the gender wage gap. However, one participant placed responsibility back on the employee saying,

“...so, people always complain, “Oh you’re paying me too little”, I’m like, “you negotiated that salary, so you can’t blame anybody else but yourself.” So, people need to take ownership also for what they’re earning. They’ve become comfortable, they’ve become complacent. You can’t blame other people because you’re below. Have you done your homework? Have you read what companies are paying?”

6.2.3.2 Individual factors

In Chapter 5 the findings showed that the three most prominent ranked themes were (1) Negotiation, (2) Motherhood and impact on experience, (3) Women and human capital factors and (3) Motherhood and impact on pay. Academics like Bowles and Babcock (2013) noted that women were less likely to initiate negotiations and even if negotiations with both genders resulted in increases, the female employee would still not benefit more than the male, simply because she would not ask for more. Bazerman, Magliozzi, and Neale (1985) confirmed that women exerted less effort in negotiation discussions however Amanatullah and Tinsley (2013); Bowles and Babcock (2013); Bowles, Babcock, and Lai (2007); all noted that women were penalised for negotiation and experienced social backlash due to gender role stereotyping.

In line with the literature, participants noted that women were likely to have suffered the inflictions of gender pay gaps due to their education levels. Historically women were not as educated as men, however as noted by Goldin (2014), women’s education has increased in years and content. Further enrolment numbers for women increased in both law and medical fields. However, given the slow start that women had, participants

noted that this still held an effect on the gender pay gaps. Blau and Kahn (2006) noted that the human capital model would suggest that on average, women would have less experience than men and therefore would be rewarded less than men, this results in the gender pay gap being higher. One participant explained this point by using an example of a women taking maternity leave.

“I’ve paid back the financial element but from a time perspective, the male counterpart is there for six months longer than I am. He’s had six months more experience, six months more exposure, automatically he’s going to be seen to be superior to me.”

Azmat and Ferrer (2017); Budig and England (2001); Correll et al., (2007); and Rodgers and Stratton (2010) all noted that women suffer negative experiences in their careers and their compensation due to motherhood and family status. England et al. (2016) noted that the mechanisms related to motherhood can explain discrimination in the workplace against mothers, these included reduced performance due to the demands of motherhood, foregone increases due to being out of the labour force for childrearing responsibilities, reduced job hours and the related perception from employers that the female employer is less productive when flexible work arrangement options were exercised. The CEO of an organisation agreed that women may be penalized for these very reasons, he said,

“It’s more about the role and the level that we’re looking for, as opposed to presence, but there’s an element of it, I guess, that biasness that would come; if you’re not present, you haven’t been here for 6 months, why would I then promote somebody? ...whereas the male counterpart has been here for the full year and therefore would be deserving one would assume.”

6.2.3.4 Imposed on inherited factors

While the gender pay gaps have decreased over time in both private and public sector, Mandel and Semyonov (2014) noted that the gains that women have experienced that have contributed to closing the gap where mostly attributed to a decline in economic discrimination against women. Budig and England (2001) spoke about the taste discrimination factor that employers may have on female employees who are mothers, confirming that if co-workers and customers find mothers distasteful to work with, this

would be an expense for the company. From the findings, it was noted by a participant in the private sector, that in the past there were discriminatory judgements placed on female employees, particularly for motherhood, however this has changed and employees were hired and rewarded based on potential and productivity now.

Williams et al. (2013) described how users of flexible work arrangements were stigmatised and often experience wage penalties, low performance evaluations and fewer promotions, this is an example of unconscious bias in the workplace, where these flexible work arrangements are mostly used by mothers, and given these employees are not always visible, the management team automatically penalise them further. Joshi et al. (2015) noted that societal beliefs are imposed on women during the hiring process, especially where there is a lack of laws that prohibit gender screening. In some developing countries women are asked about marital and family status and this is linked to the prospective employee's organisational commitment. Montgomery and Powell (2003) noted that a candidate's observable characteristics are linked with their ability and motivation, another form of stereotyping. One participant noted that women are more vocal than men with regards to their families and this aids in the unconscious biases being imposed on them.

"The other interesting thing is that, in terms of that discrimination, when women are being interviewed or they're up for a promotion, women are very vocal about their families. Men, you can't even tell afterwards if he's got a family unless you ask him."

6.2.4 Is pay disparities amongst genders an existing concern within industries?

The researcher sought to understand if the gender pay gap phenomenon was an area of concern or increased visibility for organisations, to ultimately determine if the impact on employees was being considered. The findings pointed to many strategic discussions taking place in organisations, relating to female progression in the workplace, gender equality and equality amongst races.

Academics have noted that the gender pay gap is a growing concern globally, this was established in Chapter 2 through the works of Blau and Kahn (1997, 2000, 2006, 2013, 2017); Budig and England (2001); England et al., (2016); Goldin (2014); Goldin and Katz

(2012); Hodges and Budig (2010); Morton and Blair (2018); and Montgomery and Powell (2003). In addition, for South Africa, the 2017 Global gender gap report, has ranked South Africa 19th across the four sub-indices and when looking at gender income disparities World Economic Forum (2017) and Bussin and Nienaber (2015) have confirmed that the gender pay gap is between 15% and 17% in favour of men. The topic of gender pay gaps is therefore a critical discussion for organisations to have.

Gender equality is often spoken about at organisational and industry level. The issue of female representation on boards was prominent in the interviews and was delved into further under interview question 2.1. Here participants noted that if the gender pay gaps were discussed at Board level, with little to no female representation on the board, the discussion may not be effective or strategic. Matsa and Miller (2013) noted in their article that there is little understanding on corporate strategy effects when there is more female representation in the executive levels of an organisation. One executive noted that while strides were being made by females in top executive levels, more needed to happen to see real change in the corporate environment,

“I think Maria Ramos is making good swings in that space, from a female and an equity perspective, but a lot more needs to happen at that top level, but it’s because there aren’t that many females there, because who makes the decisions? And it’s dominated right now by males. If it was dominated by females, we would have been having a different conversation”

Blau and Kahn (2013) noted that generous parental leave policies and part time working policies may contribute to the lack of female representation in high-level jobs, they also note that due to these policy offerings, employers may exercise statistical discrimination against a group of women whom they believe would take advantage of these generous policies. Through statistical discrimination, growth in the number of female representatives in high-level jobs may be diminished. One participant noted the lack of representation of women in executive positions for listed companies,

“If I look at it, there’s at least 7 or 8 listed companies that I service. I attended a number of those meetings in audit committee capacity and generally, there aren’t many women in the capacity of audit committee member or nonexecutive director that sits around the table. So, you would wonder why first of all, are they not qualified? Do they not meet the requirements? Are

you not willing to pay enough? So, I think it something that's quiet. It's something that appears in most agendas... getting more women into the boardroom."

While participants noted that the gender pay gap topic was discussed at industry or organisational level, some participants noted that this was not discussed as a strategic topic for Executive managers. Giapponi and McEvoy (2005) iterated that gaining support from top management is one of the largest barriers in addressing the gender pay gap issue. A respondent noted that although his colleague was female, senior and sat on a Board, she would not tackle the gender pay gap issue for fear of ostracization and loss of job.

6.2.5 Programs or efforts to address gender pay gaps

To aid in answering Research question 1 which was trying to understand the extent of belief of the gender pay gap phenomenon in the workplace, the researcher sought to close the discussion with the programs or efforts that organisations may be undertaking to close the gap. Khoreva (2011) noted that awareness programs should aim to highlight that the gender pay gap problem is a concern to both employees and employers alike and the responsibility to close the gap lies with each party respectively. Khoreva further stated that through collaboration and inclusion of the oppressed members in the development of remediation programs, experiential knowledge on the gender pay gap could be applied to create a pragmatic solution that was not biased or driven by privileged experts. Post and Byron (2015) and Cumming and Rui (2015) noted that diversity on boards, specifically having female representation at board level, has had positive effects on financial outcomes for organisations and also had the probability of reducing fraud in organisations, this was due to women being more ethically sensitive, less aggressive and focussed on communal goals rather than agentic goals.

Lanaj and Hollenbeck (2015) wrote about various interventions that could be undertaken by employers and employees, reference was made to women themselves displaying more agentic behaviours, to aid themselves in overcoming the biases imposed on them. Chung et al. (2015) further noted that Human resources departments hold a substantial role in ensuring that training and education programs are rolled out to address bias in the workplace and to build a culture of embracing diversity.

Joshi et al. (2015) questioned the likelihood of remediation programs in fostering change, they suggest that the barriers that slow down women's advancement should be lowered and this will require a re-examination of what are considered norms in the workplace, specifically long work hours. This aspect will continue to disadvantage women, if women continue to be the primary care givers in households, the authors thereby prompt a view that men's responsibilities at work and at home should also be reevaluated. These same authors also noted that organisational structures like the design of jobs that will reduce bias against women and the creation of networking opportunities for women will aid in reducing gender inequality, they further propose organisational interventions aimed at increasing accountability, interrogation of performance evaluations and reward mechanisms that would promulgate gender equality.

Participants explained that there were various programs that their organisations were embarking on to address gender equality in the workplace. There were 20 mentions of women empowerment programs that either needed to be led by management or were already underway. Joshi et al. (2015) noted that managers can implement corporate change and impose stronger and better governance policies, this was aligned with one respondent who articulated that the manager is viewed as the parent of the organisation and therefore would need to be the driving force for change. In certain organisations participants made mention of the organisations identifying the organisational or societal structural problems that have led to gender inequality in the workplace and the resultant gender pay gap. To address this, human resources participants noted that there were initiatives underway for female staff pipeline progression into senior roles, implementing flexible work arrangements or investigating the need to create reintegration type programs for women that return from maternity leave.

"We have also just identified 20 young engineers, half are women and half are men, that we've sent on an 18-months assignment into the U.S. to go and work on the plant that we're building there. It's our first time that we are building an \$11 billion plant, but it's also their first time in their careers as you don't often get an opportunity to work on an \$11 billion plant"

"One of the programs and the facilities to put in place to still enable them to get promoted; we don't have great programs around, and this is just a general statement, around South Africa, globally, around integrating women back into

the workplace once they have comeback from maternity leave and that causes another challenge, because while you've been away in South Africa for 4-5-6 months... then you're a year behind your male counterparts in terms of where you were a year before that."

Eight of the participants noted that their organisations did place reliance on legislation to address the gap, seven of these participants also noted that their organisation did have at least one program in place to address gender equity. An interesting point that was raised was that of laws being circumvented, as Khoreva (2011) described this, the privileged experts may still hold dominance for internal governance. One informant noted that circumvention of the law and identifying loop holes was a prevalent feature in his organisation.

Woetzel et al. (2018) noted that government measure through pay laws can influence gender pay gaps either directly or indirectly by addressing societal beliefs, however Khoreva (2011) states that legislation by itself is not sufficient to close the gap. The CEO of an advisory firm said, "I mean you can put in legislation, which the U.K. has done in terms of reporting the wage gap, but you're also trying to change a cultural outlook." This supports the view that pay laws alone will not remediate the phenomenon (Khoreva, 2011).

Of the twelve participants feedback, only one confirmed that their organisation had no plans to rectify the gender pay gap, the participant noted, that this was not a focus area due to the gap being small.

"It's not our focus. So, we just do it to look at data, but there's no plan to say, "let's equalize the salary"."

6.2.6 Conclusions to findings on Research Question 1

The research question sought to determine if the gender pay gap was a phenomenon that was widely believed to be true. The findings revealed that pay gaps were certainly a phenomenon that participants believed existed, albeit participants felt that this issue was more prevalent in the private sector than in the public sector. The findings also noted that the previous discriminatory factors against women had contributed significantly to the gender pay gap that women were experiencing in the workplace

today. Awareness levels of the pay gap revealed mixed levels of awareness, and the findings revealed that the more senior an employee is, the more likely they would be aware of the pay gap. When asked which factors contribute to the gender pay gap, the findings were largely skewed to organisational structures giving rise to and perpetuating the gender pay gap, the largest contributors in this subset was that of salary and wage structures and pay secrecy rules.

The findings also noted that while there were numerous discussions and concerns held by organisations, these were not related directly to gender pay gaps, but rather to gender equality and increasing female representation in senior management positions. When gender pay gaps may have been discussed, the discussions were not at a strategic level. Finally, in addressing the extent of remediation programs or efforts in organisations, the findings noted that there were various programs underway for gender equality; building pipeline of female senior managers and creating promotion opportunities, the findings also noted that there was deep reliance on organisations to abide by legislations.

The research objective of understanding if gender salary inequalities existed in the South African labour market was met when these interview questions were answered and analysed.

6.3 Discussion of results for Research Question 2

What is the perception of which gender is more fairly treated in terms of pay?

This research question was aimed at understanding which gender was more fairly treated when compensation was the variable being questioned.

6.3.1 Promotions and job opportunities being awarded more to men

The interview question was posed to respondents and asked which gender was awarded more, in terms of promotion and opportunities; the respondents noted that men were favoured more than women.

England et al. (2016) noted that motherhood impacted women's pay and opportunities for advancement. Given this discrimination, women who were mothers automatically

received less awards and rewards than men did. This was illustrated when one respondent described how employers rewarded men with training programs as they viewed the spend on the training as a return on investment, while a woman may not deliver the return due to motherhood responsibilities disrupting her service.

Joshi et al. (2015) noted that in male dominated organisations, women experience a double penalty in performance evaluations and considerations for promotions and bonuses, this is due to managers viewing women as less qualified because their skills do not fit expectations of the male working environment, and where women do possess more agentic qualities they are penalised because they threaten the norm, and they are therefore evaluated negatively and are denied promotions and other opportunities. Respondents noted that opportunities were awarded to men more because the work environment was suited to men. Ruderman et al. (1995) noted that the creation of large organisations, centuries ago, were by a homogenous group of people, this supports another respondents view, when he noted that men were in the majority at the start of the organisations conception, and hence we see that spill effect in the current corporate environment, where the environment is more geared for males than females.

6.3.2 Men attracting higher salaries when doing the same or similar work to women

A large portion of literature dictates that women earn less than men due to motherhood penalties. England et al. (2016) noted that motherhood not only was unpaid, mothers also suffered reduced wages when returning to work due to employers rewarding experience and tenure, and Waldfogel (1998) noted that there was no corresponding fatherhood penalty. Parental leave mandates entitle a worker a job when they return from parental leave, but these mandates also increase the cost of employing women of child bearing age, by lowering wages and possibly deterring organisations from employing these women (Blau & Kahn, 2013).

Joshi et al. (2015) spoke about hierarchy-enhancing agents and described this as the support for an unequal portion of things that hold positive social value (e.g. high income) that is aligned to a dominant social group, and vice versa. The authors linked reward allocation to hierarchy-enhancing agents and noted that men gained more favourable reward outcomes compared to women, in this case women were deemed the subordinate social group. One respondent noted why men may be considered the

dominant social group and the historic reasons for women being penalised.

“Historically, probably yes, because women weren’t in the workplace, maybe 50, 100 years ago, compared to the level which they are now. And therefore, in theory, I guess they started off with a salary, with a mind that would provide for the family, and probably back in those days, the father or the male was the bread-winner and the female stayed at home and looked after the children, but life has moved on since then.”

6.3.3 Conclusions to findings on Research Question 2

Respondents perceptions aligned to the literature which noted that women were not considered a dominant social group and suffered lower reward allocations, opportunities and promotions in the workplace. Many of the determinants for this unfair treatment could be linked to the historical view of women and discriminatory practices in the workplace. Respondents also noted that more men held senior positions and therefore were the pipeline for executive roles. This was an obvious reason for the impacts of the glass ceiling concept which was felt by women. Therefore, in answering and analysing the data received from the interview questions, the research objective of understanding if the female employee was unfairly treated was met.

6.4 Discussion of results for Research Question 3

What is the perception of pay inequality’s impact on job satisfaction?

6.4.1 Unequal remuneration towards women impacts their job satisfaction

Aykan (2014) purported that at the point of psychological contract breach, employees become dissatisfied with their jobs, and the resultant effects are decreased organisational commitment and increased intent to leave. Khoreva (2011) and Huseman et al. (1987) noted that even where pay is equal for men and women performing the same job, should an individual perceive a gender pay gap, this could cause stress, worry and job dissatisfaction. This was demonstrated by the COO of an advisory firm as shown below.

“You know women generally lead with their hearts and I think if you know factually, that you earn less than your male counterpart, but you put in just as much or even more. It’s going to make you very unhappy.”

Bono et al. (2001) confirmed that to the extent that pay is aligned to performance, and where pay is valued by employees, high performance will yield high pay, and thereby improve satisfaction of employees. Similarly, Pfeffer and Langton (1993) noted that employee productivity decreased when employees were dissatisfied due to perceptions of pay inequalities. Huseman et al. (1987) noted that individuals who considered themselves under-rewarded or over-rewarded felt distress and made efforts to restore equity. Khoreva (2011) agreed and added that individuals who perceive themselves as under rewarded focus more on the gender pay gap and this causes frustration, low performance, low productivity and low profitability for the organisation.

6.4.2 Implications of pay inequality on female employees

Various implications were revealed through the analysis of the results, these were in line with (Alessandri et al., 2017; Bloom & Michel, 2002; Card et al., 2012; Sawitri et al., 2016; Tschopp et al., 2014;) who all noted that job satisfaction impacted morale, motivation, productivity, work quality, increased absenteeism rate and the intention to quit. Khoreva (2011) and Edmans (2012) stated that pay inequality and job dissatisfaction between the genders would ultimately cause low productivity for the affected employee. This was iterated by numerous respondents, with the Human Resources business partner saying,

“When we have people not satisfied, clearly that means they are not putting in that discretionary efforts and not achieving their maximum potential.”

Shaw and Gupta (2015) noted that employee’s behaviour will be negative when there are unfair decisions made about their compensation. This was a strong theme that was illustrated by informants, who noted that employees who feel unfairly treated may start to behave negatively and put the organisation at reputational or financial risk. The below respondent described this aptly.

“I mean with any type of dissatisfaction, it drops the morale of some of your employees and if they’re influential, it will impact on a bigger portion of the

people that's not affected."

Respondents provided views that the ultimately impact of pay inequality would be turnover and intention to leave. This was in line with Lee et al. (2008) who purported that fairness and pay equity were linked to both organisational commitment and therefore turnover intent, these authors also noted that job dissatisfaction was a leading contributor to turnover. Singh and Loncar (2010) noted the same, stating that an employee's perception of their reward does impact that employees' commitment to their organisation.

The other implications on female staff was that of diversity not being embraced, and hence depth in thought and talent would be lacking in organisational decision making, if women were not promoted or awarded senior level jobs (Cumming & Rui, 2015). As already noted by Ruderman et al. (1995) promotions are a change in job level and does lead to increased responsibility and pay. Therefore, the argument of female representation at Board level remained a strong theme and impact of inequality in the workplace.

Blau and Kahn (2017) noted that women's career aspirations would be curbed if they were only ever awarded low paying or administrative type jobs. This linked directly to the respondent's feedback that the employee value proposition is directly impacted when inequalities are perceived, this respondent clearly articulated the point;

"I put down self-worth, satisfaction, and employee value proposition... because when you find out, when it's internal [in]equity, that's why external equity is not as important, because usually it doesn't affect your self-worth, but internal equity does."

The impact of pay inequality and gender inequality in the workplace would have all these impacts as described by both literature and respondents.

6.4.3 Conclusions to findings on Research Question 3

The research objective was to understand job satisfaction levels of employees when pay gap perceptions existed. The analysis of the responses revealed that job satisfaction

would be directly impacted by perceived pay inequalities and that the implications of job satisfaction would not only be intention to leave and decreased organisational commitment, but also low morale, low motivation, low productivity, negative behavioural displays, lowered employee value propositions and a perceived breach in psychological contract between the employer and employee. With this understanding, the research objective was met.

CHAPTER 7. Conclusion

7.1 Introduction

Chapter 6 discussed the findings of the research study in relation to the literature that was presented in Chapter 2 and in line with the research questions noted in Chapter 3. In this chapter, the discussion and the findings will be consolidated and presented as principal findings to meet the research objectives. Recommendations for management, suggestions for future research and limitations of the research study have also been provided.

7.2 Principal findings

The literature review in Chapter 2 noted the various factors that contribute to the gender pay gap issue that is experienced in the workplace today, further the literature described the impacts of psychological contract breaches and its direct impact on job satisfaction, noting that unmet employee expectations and psychological contract breaches are antecedents of job dissatisfaction (Rayton & Yalabik, 2014).

Employee job satisfaction is considered a key element for organisational productivity and employee motivation (Car, Savo, Sahic, Sestic, & Hodzic, 2018). Financial incentives in the form of equal and fair compensation is a driver for job satisfaction, employee motivation and employee performance (Shaw & Gupta, 2015). This study has shown that where perceptions of pay inequality amongst the genders are present in an organisation, job satisfaction of employees would decrease.

The impact of decreased job satisfaction was explored and respondents provided various responses on what those implications would be. From figure 4 below the implications that were identified were mostly aligned to the organisation, the researcher noted these implications as Business risks, with the remaining implications impacting macroeconomic elements, these were grouped in the category called Societal risks.

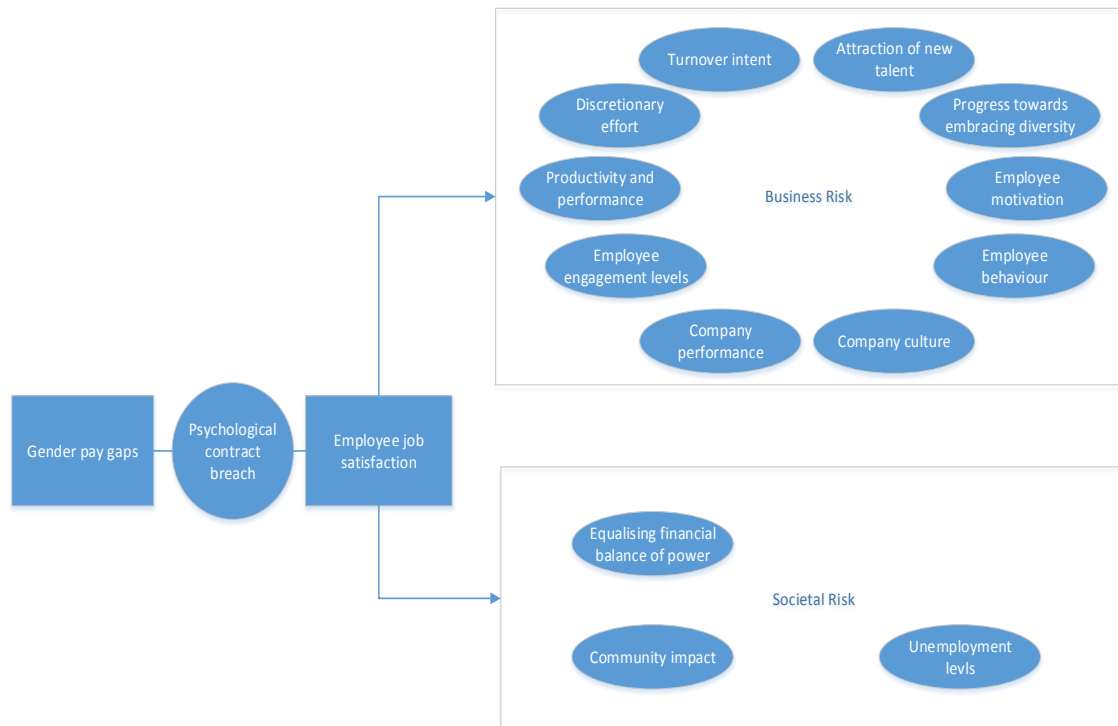


Figure 4. Pictorial of findings

Source: Authors own

7.2.1 Business Risk

Informants provided clear responses that corresponded with the literature and identified that job satisfaction could ultimately impact turnover, this finding aligned to the work of Lee et al. (2008); Shaw and Gupta (2007); and Tschopp et al., (2014). Notably respondents stated that financial reward would be linked to psychological contracts employees held with their employers, and a realisation of unfair financial rewards based on gender would lead to job dissatisfaction. Further respondents noted that behavioural aspects of the employee would change when employees felt dissatisfied with their jobs. As noted by Kickul and Lester (2001) and Trevor and Wazeter (2006), individual employees pay equity perceptions and their related attitudes differ, Huseman et al., 1987 stated that the greater the inequity an employee experiences, the larger the effect of distress on that employee.

Given the majority of respondents confirmed that employee behaviour would be negatively impacted when the employee experienced job dissatisfaction, the study found, in line with literature, that the likelihood of increased absenteeism (Diestel,

Wegge, & Schmidt, 2014), lowered employee engagement and organisational commitment levels (Sawitri et al., 2016), decreased performance (Alessandri et al., 2017; Bloom, 1999), decreased productivity (Bockerman & Ilmakunnas, 2012), decreased discretionary effort, decreased employee motivation (Singh & Loncar, 2010) and intent to leave (Lee et al., 2008; Shaw & Gupta, 2007; Tschopp et al., 2014) would all be implications of dissatisfied employees.

Another important finding is that of displays of negative behaviour by employees when job satisfaction as a result of psychological contract breaches were present. Organisational culture and the reputation of the organisation is put at risk when deviant behaviour is present. Mazni, Rasdi, Ismail and Abu Samah (2013) noted that negative behaviour by employees not only has consequences to their organisations and stakeholders, but also impacts motivation and performance of employees.

Dineen and Williamson (2012) and Larkin et al. (2012) noted that financial reward influenced attraction and retention of talent, while Cumming and Rui (2015) stated that diversity at board level reduced the risk of fraud. These were aspects that respondents noted, where gender pay gaps that remain unresolved together with low opportunity for female staff career growth and limited gender diversity on boards all introduce additional business risk to the organisation.

7.2.1 Societal Risk

Respondents noted that the gender pay issue which could impact employees job satisfaction has far reaching effects outside of the organisation. These were termed under the category of Societal risks in figure 4.

Respondents noted that should employees be dissatisfied at work; this dissatisfaction impacts the employee's discretionary effort. If a large contingent of employees in an organisation are dissatisfied and their effort decreased, that organisations ability to service the communities that it works in will also diminish. Respondents also noted that dissatisfied employees will have an intention to leave their employment, and this may impact the unemployment levels in the country. Lastly respondents noted that where women are dissatisfied due to their earnings potential being less when compared to a male counterpart, that woman is not as prepared for her retirement due to her decreased earnings over her work period, this adds to state burden. Budig and England (2001)

made a similar statement in their report.

In addition, the study has made theoretical contributions to the topic, these can be used by organisations to better understand the underlying drivers of some of the job satisfaction outcomes experienced in the workplace.

Extent of awareness

The first contribution is that of the extent of awareness relating to the gender pay gap not being widely understood by female employees that do not hold senior management positions. Pay secrecy rules and the manner in which young women are raised have been noted as contributory items that lower the awareness levels of discriminatory practices on women. Women possess less agentic qualities and have been poised through culture and upbringing to not question or challenge the norms in the workplace. This has led to many women becoming complacent with their career progress and their financial reward.

Organisational structures

The second contribution is that of organisational structures perpetuating the gender pay gap issue, while salary bands, onboarding salary incentive thresholds and employee engagement surveys benefit the organisation, they do not always benefit the employee. Respondents noted that new employees that join organisations will not always receive a salary that is in line with their peers if the organisation has an onboarding salary incentive threshold. The code of Equal pay for work of equal value should not be exercised by organisations as a mere guideline, but rather instituted as a law.

While the topic of awareness may seem a trivial topic that would not directly impact the organisation, responsible organisations should be concerned about the actual extent of pay gaps within their organisations and the education of those gaps amongst their staff. A well-informed staff compliment that is involved and aware of the discrepancies is likely to be a more cooperative staff compliment. Reputational risk is also diminished considerably when organisations proactively attend to workplace issues. Should legislation change that makes it compulsory for noting full disclosure of gender pay gaps, it would do organisations well to be ahead of the curve and add transparency to the gender pay gap statistics they have within their organisations.

7.3 Recommendations for management

While the gender pay gap phenomenon is understood in the workplace, the awareness levels of the phenomenon within organisations needs improvement. Khoreva (2011) noted that with awareness of the issue increasing, more concerted efforts to remediate the gap can be targeted. Pay laws in itself cannot close the gap (Khoreva, 2011), a change in behaviour is required. To this end the researcher recommends:

- Education and training programs be introduced at school and university levels to improve understanding and awareness of gender equality issues, recommendations would include focussing on unconscious bias, stereotyping and occupational segregation.
- Implementation of mentoring programs targeted specifically to aid returning employees after a break for child care.
- Every organisation should be performing an annual exercise of comparing salaries of employees who perform the same work, in addition an engagement survey should be conducted and the results of the employee satisfaction category should be aligned with the remuneration comparisons to ensure the organisation can provide transparency on job satisfaction alignment with pay. Equal pay audits should be considered at least biennially.
- Designing jobs for gender equality while taking care to be non-discriminatory when drafting job descriptions.
- Revisit maternity leave policies to encourage shared parental leave between both parents who work in the same organisation.
- Improve transparency to demonstrate commitment to gender pay equality. This will aid in attracting and retaining talent.

7.4 Suggestions for future research

The study undertaken was qualitative in nature and sought to understand the views and perceptions of respondents on two constructs, gender pay gaps and the job satisfaction. The study however did not use any quantitative data that could strengthen its findings. The researcher would therefore recommend, as an area for further research, the completion of the same empirical study, however corroborating the observations using quantitative data to qualify the relationships between the constructs.

7.5 Limitations of the research

Qualitative studies are subjective in nature and therefore may be prone to several biases (Saunders & Lewis, 2012). The researcher noted in Section 4.11 the various limitations

to the research study, these were not only limited to researcher bias.

7.5.1 Researcher bias

Being a novice to the interview technique adopted for this study, the researcher relied on the pilot interviews to refine the technique used. Given the nature of the study, interpretation of the participants answers relied on the understanding and decryption by the novice researcher. The researchers own biases could therefore also have contributed and influenced the interpretations and analysis of the results.

7.5.2 Sample bias

The population was limited to senior human resource management personnel, senior line managers and CEO's, however middle managers could have also contributed to the study. The reason for their elimination from the study population was that not all middle managers had access to staff salary data and may have only been involved in the non-reward performance management related aspects for and with their employees. Their views and perceptions of the phenomenon however would have been valuable to the study.

Geographic bias did impact the study, as only participants from Johannesburg and Pretoria were targeted, the results were therefore not representative of the South African labour market. In addition, participants from only four industries with a span of six sectors participated in this study, this therefore presents a limitation to the study as the sample is not fully representative of the South African labour market.

7.5.3 Time constraints

Time was also a limitation of this study, given the researcher had to work towards an imposed university deadline, while considering for other subject attendance, fulfilment of full-time work and commitment to family. The researcher did not have the luxury of performing this research over a longer period. Time limitations of the participants were also a limitation, as the interviews could only be held at a time that was convenient for the participant.

The study has explored the impacts on employee job satisfaction when gender pay gaps were perceived by employees. The various implications have been discussed and the extent of business and societal risk have been presented. While the findings of the study will aid organisations by understanding the various emotions, outcomes and behavioural aspects that an employee undergoes due to job dissatisfaction, the researcher implores the reader to consider the effects on the South African economy if the gender pay gaps are not addressed sufficiently. The lack of diverse workforces, decreased company performance, reduced contribution to GDP and employment are all items that must be considered when job satisfaction is not addressed adequately.

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Appendix 1: Invitation to Participate in Research Study

Dear XXX

I am writing to request an interview with you for my MBA dissertation. I am currently conducting research on the impact of the gender pay gap on job satisfaction, and as such I will be conducting interviews with various participants across South Africa. The aim of the study is to evaluate the impact on job satisfaction for employees within an organisation when perceptions of gender pay gaps exist.

For ease of understanding here are some definitions that were used as per my literature review

Gender pay gaps: The gender pay gap has been commonly referred to as the difference in average hourly earnings of both gendered employees, when human capital factors (age, race, gender, tenure, education and experience) have been controlled for (Blau & Kahn, 2006).

Job satisfaction: Job satisfaction has been described by many scholars, however generally these descriptions have attributes of either providing a positive feeling or providing a level of neutral satisfaction to one's job. Biswas and Mazumder, 2017, p.9 describe job satisfaction as "the pleasurable state of mind or positive feelings that employees have towards their jobs". Cranny et al. (1992) described job satisfaction as both a mixture of cognitive and affective reactions that one has towards their job, this is dependent on the actual comparison of their desired outcomes versus the actual outcomes. Agho et al. (1993) defined job satisfaction to be the extent to which employees like their work.

Your personal views and experiences, in your management capacity, will be used as the basis for my research study. As such the qualitative data will be gathered and analysed to form themes that would assist in understanding the extent of impact on job satisfaction when pay disparities exist between the genders.

I would appreciate if you would avail yourself for a one hour interview with me.

The attached interview guideline, will give a view of the 6 broad questions that will be asked, there are sub questions within each one, however we may not cover them all,

and may add new discussion points and drop others off, this is indicative of a semi-structured interview. The interview will be recorded, voice only, and thereafter transcribed.

Kind Regards

Serushka Atcha

serushka.atcha@gmail.com

Appendix 2: List of Respondents

Interviewer identification	Role	Industry: Sector	Gender	Race	Age
Participant 1	Chief Operating officer	Professional Services: Auditing and Advisory	Female	Indian	42
Participant 2	Head of Rewards	Manufacturing: Industrial Gases	Female	Coloured	39
Participant 3	Human Capital Business Manager	Financial Services: Corporate and Investment Banking	Female	Indian	36
Participant 4	Manager of Production	Manufacturing: Currency	Female	White	43
Participant 5	Vice President - Operations	Financial Services: Corporate and Investment Banking	Female	Indian	46
Participant 6	Chief Executive Officer	Professional Services: Auditing and Advisory	Male	Indian	42
Participant 7	Chief Executive Officer	Professional Services: Advisory	Male	White	55
Participant 8	Human Capital Business Partner	Financial Services: Corporate and Investment Banking	Male	White	32
Participant 9	Executive Manager - Infrastructure	State owned enterprise: Engineering	Male	Black	38
Participant 10	Chief Executive Officer	Professional services: Advisory	Male	White	56

Participant 11	Vice President - Operations	Financial Services: Corporate and Investment Banking	Male	White	40
Participant 12	Vice President – Global Rewards and Remuneration	Manufacturing: Energy Sector	Female	White	48

Appendix 3: Interview Guideline

Determining if the participant believes there is an issue with gender pays in the workplace	
1.1	In your opinion, is there a prevalent issue of gender pay gaps in South Africa?
	Please elaborate on this more?
	Are there any instances in your own organisation where it is evident that there are gender pay gaps? Tell me more about why this is/could be the case?
1.2	If there are pay gaps, do you think that the women in the organisation are aware of the pay gaps between genders?
1.3	What do you believe could be some of the reasons for the gender pay gap?
Extent of discussion relating to the pay gap phenomenon	
2.1	Is the issue of pay disparities amongst genders an existing concern within your industry?
	Is this topic discussed at industry forums?
	Is this discussed within your firm?
2.2	What are the programs or efforts that are underway to address this?
Understanding which gender is more fairly treated	
3	Do you believe that job promotion and other job opportunities are awarded more to men than women?
	Please elaborate on this?
	Have there been instances where you have experienced this?
4	Do you believe that men attract higher salaries when doing the same or similar work to women?
	Please elaborate.
	Is this belief based on perceptions, or observations you have made? Or is this rather because you have been privy to remuneration details and recruitment and reward efforts?
Understanding the impact on unequal remuneration	
5	Do you believe that unequal remuneration towards women impacts their job satisfaction?
	Please elaborate (could cover observations made, perceptions on the issue, impacts)
Understanding the implications of pay inequality	
6	What are the potential implications of pay inequality on female employees?

Appendix 4: Consent form

My name is Serushka Atcha, I am an MBA student at the Gordon Institute of Business Science (GIBS), University of Pretoria. I am conducting research on the impacts of gender pay gaps on job satisfaction, and am trying to find out, through numerous interviews, the extent to which pay gaps are believed to be in existence and the related impacts of these pay gaps on employee job satisfaction.

Our interview is expected to last about an hour, and will help me to understand how senior managers, human resources managers and consultants, perceive the gender pay gap to either have an impact on employee job satisfaction or to have no impact at all.

Please note that your participation is voluntary and you can withdraw at any time without penalty.

All data collected will be reported without identifiers and therefore anonymity will be achieved. If you have any concerns, please contact my supervisor or myself on the contact details below.

Kind regards

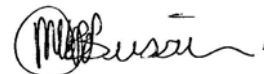
Researcher
Serushka Atcha



Signature

serushka.atcha@rmb.co.za
084 580 0463

Research Supervisor
Dr Mark Bussin



Signature

drbussin@mweb.co.za
082 901 0055

Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _____

Appendix 5: List of codes used

RQ	New Code
1	Gender pay gaps do exist
1	Not gender related
1	Not fully aware
1	Management levels of gaps
1	Gender pay gap and Sectors
1	Gender pay gap from legacy issues
1	Gap extent
1	Business risk
1	Years to close the gap
1	Not aware of gender pay gaps
1	Aware of gender pay gaps
1	Mixed awareness
1	Entering motherhood
1	Feelings of guilt for motherhood responsibilities when at work
1	Motherhood and the impact on pay
1	Motherhood and impact on experience
1	Motherhood and organisational commitment
1	Women need to be present and visible
1	Fatherhood premium
1	Men can offer more office hours and flexibility
1	Tenure
1	Women and human capital factors
1	Negotiation
1	Networking
1	Conscious bias in the workplace
1	Stereotypes in the workplace
1	Unconscious bias in the workplace
1	Tone at the top
1	Societal beliefs and Culture
1	Confidence amongst women (due to cultural upbringing)
1	Occupational Segregation

RQ	New Code
1	Rating mechanisms for employees
1	Compounding the gap
1	Internal progression and pay
1	Structural factors are contributors to unfair treatment towards women
1	Salary structures and frameworks
1	Salaries and union requirements
1	Pay Secrecy
1	Comparing jobs of similar size and nature
1	Compensation is a complex decision-making process
1	Corporates and patriarchal roles
1	Bonus pay and maternity leave
1	Discussions are futile
1	Not a strategic level discussion
1	Gender pay gap discussion
1	Gender pay gap NOT discussed
1	Not aware if gender pay gap is discussed
1	Female representation discussion
1	Gender equality discussion
1	Race equality discussion
1	Enabling flexibility
1	Laws for equality
1	Reporting the numbers
1	Creating networking opportunities
1	We have no focus/there is room for improvement in remediation efforts
1	Further investigation and deep dives
1	Levelling up salaries
1	Women empowerment embedment programs
1	Accommodating working mothers
1	Decoupling annual pay from performance pay
2	Men get offered various opportunities when compared to women
2	Men get promoted over women
2	The work environment is more suited to men

RQ	New Code
2	There is no skew towards men in promotion and appointments
2	Race and gender play a part
2	Men attract higher salaries
2	Men and women earn equal pay for equal roles
2	I do not know if men are awarded higher salaries
3	Job satisfaction and internal equity
3	Job satisfaction and external equity
3	Job satisfaction is not only influenced by compensation
3	Compensation expectation impacting job satisfaction
3	Unequal remuneration towards women DOES NOT impact their job satisfaction
3	Unequal remuneration towards women DOES impact their job satisfaction
3	Employee self-worth/Employee value proposition
3	Psychological contract breach and organisational commitment
3	Employee/Employer compensation conversations
3	Implication on company culture
3	Equalizing financial balance of power
3	Implications on attracting new staff
3	Implication on progress towards embracing diversity
3	Implication on turnover intent
3	Implication on discretionary effort
3	Implication on company performance
3	Implication on workplace safety
3	Implication on employee motivation
3	Implication on engagement levels
3	Implication on employee behavioural characteristics
3	Implication on productivity/performance
3	Implication on society
	* Preferences expressed to work with women
	* The future of work
	* Female representation in the workplace

Appendix 6: Consistency Matrix

This consistency matrix was used to guide the creation of interview questions from the research objectives and research questions.

Research questions	Literature review	Data collection tool	Analysis
<p>Research question 1</p> <p>To what extent is there belief that gender pay gaps do exist?</p>	<p>Blau & Kahn, 2000</p> <p>Bussin & Nienaber, 2015</p> <p>Card, Cardoso, & Kline, 2015</p> <p>Goldin, 2014</p> <p>Khoreva, 2011</p>	<p>Question 1 and 2 in interview schedule</p>	<p>Content analysis on open ended questions to determine extent of gender pay gaps.</p>
<p>Research question 2</p> <p>What is the perception of which gender is more fairly treated in terms of pay?</p>	<p>Blau & Kahn, 2013</p> <p>England, Bearak, Budig, & Hodges, 2016</p>	<p>Question 3 and 4 in interview schedule</p>	<p>Content analysis on open ended questions to determine respondents range of perceptions.</p>
<p>Research question 3</p> <p>What is the perception of pay inequality's impact on job satisfaction?</p>	<p>Aykan, 2014</p> <p>Bono, Judge, Patton, & Thoresen, 2001</p> <p>Card, Mas, Moretti, & Saez, 2012</p> <p>Cranny, Smith, & Stone, 1992</p> <p>Shaw & Gupta, 2015</p>	<p>Question 5 and 6 in interview schedule</p>	<p>Content analysis on open ended questions to determine respondents range of impacts that could affect the employee and the organisation.</p>

Appendix 7: Ethical Clearance Letter

**Gordon
Institute
of Business
Science**
University
of Pretoria

01 June 2018

Atcha Serushka

Dear Serushka

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee