

## FACT SHEET: Glassdoor Data on the Gender Pay Gap and Salary Transparency

Glassdoor is a leader in workplace and salary transparency and has conducted economic research and global surveys around this critical topic to help shed light on the issue, better understand the pay gap and spark conversations to better understand the root causes and find appropriate solutions. This fact sheet provides highlights and key takeaways of these recent reports and surveys.

### Gender Pay Gap Is Real — Glassdoor Economic Research Study

A <u>recent report</u> from Glassdoor Economic Research explores the gender pay gap using a unique set of more than 534,000 Glassdoor salaries for specific job titles at specific companies shared anonymously by employees online. We estimate the gender pay gap in five countries: the United States, United Kingdom, Australia, Germany and France.

#### **Highlights:**

- The unadjusted pay gap in the U.S. between men and women is 24.1%, meaning women earn about \$0.76 for every \$1.00 men earn, which is consistent with many reports
- However, when we control for variables such as age, education, experience, occupation, industry, location, year, specific company and job title, the adjusted gender pay gap shrinks to 5.4%, which is still a notable and significant gap for which there appears to be no explanation
- This amounts to a lot of money lost: For example, if a woman earns \$40,000 to \$100,000 per year, she loses tens or hundreds of thousands of dollars over the course of a 30-year career

- More than half (54%) and by far the most notable factor — of the unadjusted pay gap is explained by differences in how men and women sort into different occupations and industries with varying earning potential
- The adjusted gap is largest in the health care, insurance and mining & metals industries. The gap is smallest in the aerospace & defense, agriculture & forestry and biotech & pharmaceuticals industries
- For occupations, the *adjusted* gender pay gap is largest for computer programmer, chef and dentist occupations
- The U.S. pay gap grows with age. Younger workers aged 18-24 face a smaller adjusted pay gap of 2.2%.
   By contrast, older workers aged 55-64 face an adjusted gender pay gap of 10.5%

Sources: Blog: New Research: Demystifying the Gender Pay Gap; Full study: Demystifying the Gender Pay Gap (March 2016)

## Employee Perceptions of Gender Pay Gap — Global Survey Conducted by Harris Poll

#### **Highlights:**

- Approximately 9 in 10 (89%) employees believe men and women should be paid equally for equal work
- 7 in 10 (70%) employees believe men and women are paid equally for equal work at their employer
- However, more men (77%) believe that there is equal pay for equal work at their employer compared to 70% of women
- 3 in 5 (60%) employees would not apply to work at a company where a pay gap exists

#### **Employee Opinions on How to Close the Gap:**

- Of those U.S. employees who say there is a pay gap at their employer, nearly half (45%) believe new company policies around pay and compensation will help close the inequity
- 39% believe government legislation requiring employers to pay all people equally for equal work and experience levels will help
- 36% believe clearer communication from senior leaders and/or HR about how pay raises, bonuses and/or cost of living increases are determined will help
- 34% believe greater internal pay transparency such as HR sharing salary figures for all roles is the way to improve the gap
- 26% believe their employer publicly sharing all employees' pay information broken down by demographics (i.e., gender, age, years of experience, etc.) will help

## Salary Negotiation Realities: How Men vs. Women Compare — Harris Poll

#### **Highlights:**

- 3 in 5 (59%) employees admit they accepted their salary offer and did not negotiate in their current or most recent job
- 68% of women report they did not negotiate their salary vs. 52% of men
- Only 1 in 10 (10%) employees report negotiating their salary and getting more money in their current or most recent job
- Significantly fewer women (4%) than men (15%) say they negotiated their salary and got more money

Source: Glassdoor salary survey conducted by Harris Poll among full-/part-time employees (April 2016)

# Employee Perceptions of Salary Transparency and Talking About Pay — Global Survey Conducted by Harris Poll

#### **Highlights:**

- The majority of employed adults (69%) wish they had a better understanding of what fair pay is for their position and skill set at their company and in their local market
- About half (56%) of employed adults surveyed feel they must switch jobs in order to obtain any meaningful change in compensation
- Perceptions of pay transparency are divided along gender lines in the U.S. In the U.S., 65% of men vs. 53% of women believe they have a good understanding of how pay is determined at their company.
- · Slightly more than one-third of employees (36%) say their company discloses salaries internally
- The majority of employees (62%) would be willing to share more information about their own salary if they could do so anonymously
- The majority of employees (70%) believe salary transparency is good for employee satisfaction
- Nearly three-quarters (72%) of employees believe salary transparency is good for business

Source: Blog: Are You Being Paid Fairly? Glassdoor Global Survey Reveals Salary Transparency Perceptions

## Employee Confidence: Men Consistently Show Higher Confidence Around Pay Raises Than Women — Harris Poll

#### **Highlights:**

- Over the last seven years, men typically reveal greater confidence than women that they will get a pay raise in the next 12 months
- Since 2008, the confidence of men outpaces women by 6 percentage points

Sources: Various Glassdoor Employment Confidence surveys conducted online by Harris Poll. For full methodologies, contact <u>pr@glassdoor.com</u>.

Blog: <u>One Thing Women Need to Negotiate Better Salaries: Confidence</u> (April 2016)

## Closing the Pay Gap – Recommendations & Tips

#### **Highlights:**

- While overt workplace bias may contribute to some of the gender pay gap, our research illustrates the importance of
  providing men and women equal opportunity in education and training to address the primary factor of men and women
  sorting into different industries
- Policies ensuring women have more equal access to science, technology and health care training, targeted initiatives to
  encourage career development and pay negotiation, and programs that support care for children and the elderly can help
  address some of the root causes
- Greater workplace and pay transparency at a company level can help eliminate gender pay gaps
- Closing the negotiation gap can help reduce the pay gap. Research has shown that when candidates were explicitly told pay is negotiable, the pay gap disappeared.

Sources: Full study: Is Salary Transparency More Than a Trend?; Blog: Pay Transparency: Good for Business, Great for Workers (April 2016)