

Analysis of Wage Differences Caused by Gender

Yiheng Feng^{1,a,*}

¹Middle School Affiliated to Renmin University of China Tongzhou Campus, Jia 1, Huzhuang,
Luchengzhen, Tongzhou District, Beijing, China

a. yiheng.feng@iec.rdfztzxq.cn

*corresponding author

Abstract: This paper aims to explore the gender pay gap, taking Google as an example. The study aims to address gender discrimination and wage inequality in the workplace and explore possible ways to address these issues. This paper adopts the case analysis method, takes Google company as the research object, collects and analyzes Google's salary data and corporate environment and other related materials. In addition, this paper also combines the literature survey method to collect theoretical and empirical research on gender discrimination, employment opportunity inequality and social and family pressure to comprehensively reveal the reasons for the gender pay gap. Research shows that women at Google are generally paid less than their male counterparts, especially in technical roles. This pay gap is not due to the lack of ability or experience of female employees, but rather the fact that Google is dominated by men and women are often discriminated against when it comes to promotions and salary negotiations. By analyzing the Google case, this paper reveals several major causes of the gender pay gap, including gender discrimination and prejudice, unequal employment opportunities, and social and family pressures. The findings of this paper show that in addressing the gender pay gap, governments, businesses and individuals need to work together to achieve gender equality in the workplace and narrow the gender pay gap.

Keywords: Gender pay gap, Gender equality, Case studies

1. Introduction

1.1. Research Background and Motivation

Despite increasing attention to gender equality, the pay gap between men and women still exists in the workplace. This article will explore the reasons and problems behind the gender pay gap through the real case of Google.

In the academic field, research on the gender pay gap has yielded some results. However, in the specific corporate environment, especially in high-tech companies such as Google, the causes and influencing factors of the gender pay gap still need to be deeply studied. By analyzing the case of Google Inc., this paper aims to complement existing research to reveal the specific manifestations and causes of gender wage disparities in high-tech industries. The significance of studying the gender pay gap is that it provides insights into the manifestations of gender discrimination and inequality in the workplace. In addition, by exploring ways to address the gender pay gap, this paper helps to

promote gender equality. In high-tech industries such as Google, achieving gender equality is not only good for the personal development of employees, but also helps improve the innovation capacity and competitiveness of enterprises. Therefore, the study of gender pay gap has important theoretical and practical significance.

1.2. Literature Review

The gender pay gap is a longstanding social concern, especially in high-paying fields like technology. Google, as a well-known technology giant, is no exception, and there is a gender pay gap in its internal phenomenon. In recent years, there has been a steady stream of research and insights into the gender pay gap, which is important to uncover the root causes of the problem and propose solutions.

First of all, Wright found that the salary difference between different genders was greater in the group of senior executives and proposed the "ceiling effect". Some scholars also put forward the "sticky floor effect" correspondingly, believing that due to the low level of human capital of low-income women, they lack bargaining power in the labor market, and thus have a greater difference in wage level with that of men [1].

Wang Yilin pointed out in an article titled Talents Seeking published that compared with male-dominated industries and occupations, women have a narrower range of job choices. The employment structure is not equally distributed between men and women, for example, men are more likely than women to be entrepreneurs, while more women are classified as unpaid domestic workers than men, and more women than men work in informal jobs. Looking at it another way, women's average paid hours are also generally lower than men's. While the gender pay gap in lower income groups can be explained by differences in job attributes and characteristics, the specific causes of the gender pay gap in higher income groups remain unclear [2].

When starting a family, women disproportionately bear the pressure of income reduction, and this gap is partly related to culture, and it is also related to the insufficient support of various policies by enterprises and society to pay attention to and support childcare and improve the compatibility between family and work. The government should introduce various policies to further strengthen the institutional guarantee and solve the inequality in the employment and career development of men and women, so as to increase women's economic participation, promote women's employment and provide women with equal employment rights, paying particular attention to the employment security of low-income women. In the workplace, women should have the opportunity to continue working after having children without any discrimination. Society should fully recognize the great value created by women's childbearing, breastfeeding and family work, and ensure that both women and men can combine family and social responsibilities with work [3].

Wang Yu believes that considering the social environment, in order to further implement the concept of gender equality and expand its influence, it is necessary to further break down industry barriers, help more and more women enter the management, jump out of the inherent limitations and pour into high-paying technical positions. In order to further eliminate the "sticky floor effect", the local minimum wage should be adjusted and increased in a timely manner according to the economic development situation, the wages of low-income people should be increased, the life of low-income people should be protected, and enterprises should be advocated to establish a fair employment mechanism for workers. At the same time, it should also vigorously publicize and popularize efforts to eliminate public discrimination against occupation, and promote the enterprise sector to remove unreasonable settings and gender discrimination thresholds. The government should improve the social welfare system and the family education guidance service system, increase maternity subsidies, reduce discrimination against women due to childbearing and other factors, and provide support for women's return to work and re-employment after childbirth [4].

Li Shi et al. found that there were some unreasonable factors behind the widening wage and income gap, such as the discrimination against women in the labor market, the widening wage and income gap between men and women, and the lack of voice. It is necessary to further improve the labor market, strive to eliminate discrimination in the labor market, create a level playing field, and strengthen the protection of the basic rights of vulnerable workers. To strengthen labor market supervision, the government can strengthen the supervision of enterprises and formulate clearer laws and regulations to prohibit any form of employment discrimination, especially discrimination against women, the disabled and other vulnerable groups. Supervision departments should strengthen law enforcement, strictly investigate and punish violations of laws and regulations, and safeguard the legitimate rights and interests of workers. At the same time, the government should strengthen vocational training and skills upgrading programs, with a special focus on training and employment support for the vulnerable workforce. Establish an employment system with fair competition and a wage distribution system with equal pay for equal work. The government should formulate corresponding laws and policies, requiring enterprises to improve the transparency and openness of wages, and ensure the fair distribution of wages [5].

At the international level, Hilal Atasoy et al. conducted research on the impact of internet use on gender wage gap in the United States. They found that Internet use and the "dot-com bubble" boosted labor employment in the United States, and that the boost was more skewed toward highly skilled, highly educated women [6,7].

To sum up, the research results on the gender pay gap in recent years show that Google, as a representative technology company, still has a gender pay gap and is affected by many factors. In order to achieve gender equality and pay equity, more measures need to be taken, including establishing a fair and transparent pay system, strengthening gender equality awareness training, and providing more career development support for female employees. Only through the joint efforts of the whole society can the world gradually close the gender pay gap and achieve the goal of gender equality.

1.3. Research Contents

This paper adopts the case analysis method to analyze the salary level of male and female employees in Google, and reveals the specific performance of the salary gap between men and women. At the same time, explore the main causes of the gender pay gap, such as gender discrimination, unequal employment opportunities, and social and family pressures. It then proposes solutions, combining policy, business and individual levels to propose specific measures to address the gender pay gap.

2. Case Analysis

Google is a world-renowned technology company with a worldwide reputation for its innovative products and services. However, in recent years, Google has been sued by employees over the pay gap between men and women, and has received widespread attention. According to the report (<https://www.nytimes.com>), data compiled by Google employees themselves show that women are generally paid less on average than men at most job levels at Google, and that the company treats men and women differently for the same work, and this pay gap persists even when women are promoted. In the case of software engineers, the average salary of a female software engineer is about 85% of that of a male software engineer. In its annual diversity report, Google said that only 20% of its high-paying technical jobs are held by women, compared with 31% of the company's total workforce. At Google, there are more women in sales, marketing, human resources and legal departments, but the percentage of women in technical positions is lower than the percentage of women in the overall workforce. These female-heavy positions, both entry-level and mid-level,

generally pay less than their technical equivalents. The phenomenon shows that Google still has a gender discrimination problem, with women having fewer opportunities in technical roles and more opportunities in other roles, but those roles generally pay less. This phenomenon may be related to socio-cultural traditions, gender stereotypes, and career opportunities. The pay gap is not due to a lack of ability or experience among female employees, but rather a pervasive gender bias in promotions and salary negotiations at male-dominated Google. This bias results in women receiving less pay and promotion opportunities for the same conditions.

Figure 1 shows the average base salary and bonus for Google's 1,194 U.S. employees in 2017, which represents about 2% of Google's global workforce. There are six job levels in the chart. As can be seen from the chart, female employees are generally paid less than their male colleagues, especially in mid-level positions. In addition, male employees receive higher bonuses than female employees.



Figure 1: The average base salary of Google employees in the United States

The study analyzed a dataset provided by Google employees, covering 1 to 6 different job levels, from junior data center workers to experienced engineers. It should be noted that the data does not include company executives and top engineers, whose salaries fluctuate more widely. In five of the six job levels studied, women were paid less than men. Only in Level 2 do women earn on average \$5,400 more than men. In addition, the average total salary of female employees is \$695,300 compared to \$735,900 for male employees, a difference of \$40,600, which is \$300 more than the average salary of female employees at Level 1. The fact that women are paid more on average than men in level 2 positions may indicate that Google has paid some attention to gender equality and has taken some measures. However, the phenomenon of women being paid less than men at other levels of employment still exists.

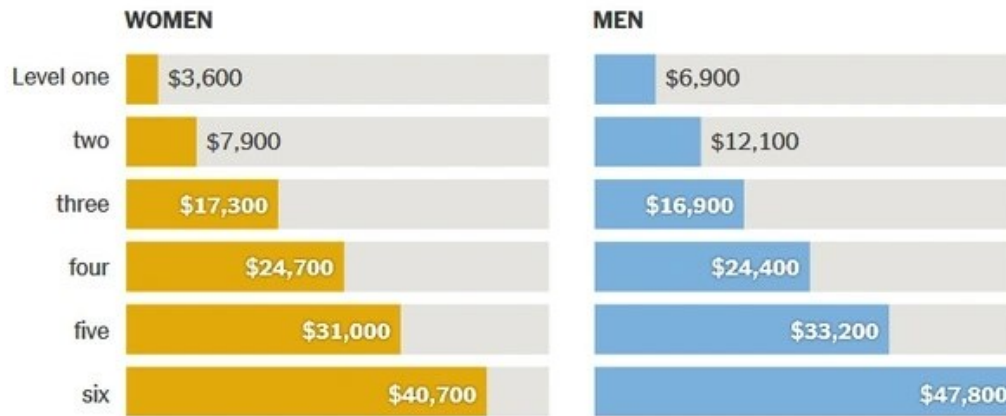


Figure 2: The average bonus for Google employees in the United States

In an analysis of data on average bonuses for Google employees, the study found that there were two levels in which women received higher bonuses than men. At level 3, women earn \$17,300, more than men. At Level 4, women earn a bonus of \$24,700, again higher than men. At every other level, however, women received lower bonuses than men. These data show that while at Google, women's bonuses are higher than men's at some job levels, overall, women's bonuses are still lower than men's. Specifically, at Level 3 positions (the entry level for technical positions), women earn \$124,000 in salary plus bonuses, 4% less than their male counterparts. However, at mid-level positions (i.e., around level 5 positions), the gap widens to 6%, with female employees making an average of \$11,000 less than their male counterparts. These findings show that Google has a gender pay gap and needs to take effective measures to eliminate gender discrimination and achieve gender equality in the workplace (see figure 2).

3. Analysis on the Problems

Through the case study of Google, this paper finds that the theory of occupational gender segregation may be one of the main reasons leading to the gender pay gap. Occupational gender segregation is manifested by differences in the occupational distribution of men and women in the labor market. In addition, even in the same profession, compared with men, women initially have lower job levels and fewer promotion opportunities, thus forming a "career ceiling" for women's career development. The theory of occupational gender segregation points out that individuals have differences in occupational entry and promotion due to gender differences, which will eventually lead to the widening of the gender wage gap [8]. In tech companies such as Google, men are often seen as more competitive and in leadership roles, while women are seen as better suited for supporting and supportive roles. This public perception of gender is often rooted in corporate culture and social perception and needs to be changed through increased education and advocacy. The physiological characteristics of women and the influence of the idea that men are inferior to women all the time have contributed to the low income of women and fewer employment opportunities than men. This practical problem will not only cause the loss of women's economic interests, but also reduce the efficiency of enterprises, and thus lead to the slowdown of economic growth. Therefore, to realize the equality of wages and incomes between men and women and the equality of labor participation opportunities is not only conducive to the protection of women's rights and interests, but also to improve women's status. The improvement of women's status is conducive to improving efficiency, equity and sustainability of economic development from micro and macro levels. It is conducive to eliminating the double adverse effects of the political and economic discrimination against women [9].

In tech, women have fewer job opportunities and face greater competitive pressure. This leaves women vulnerable to restrictions in their career development, which affects their salary levels. To address this issue, companies should take steps to provide more job opportunities and training resources for women to improve their competitiveness in science and technology fields. Women tend to take on more family responsibilities and caregiving obligations, which puts them under greater pressure in the course of career development. The traditional family concept that men are in charge of the outside and women are in charge of the inside makes the marriage relationship positively promote the influence of men's income. Married women spend more time and energy on family life, which makes them lose some opportunities to obtain higher income [10]. Therefore, married status has a certain inhibitory effect on women's income. The government and society should strengthen support for women and provide more parenting and family support policies to reduce women's family burden. Contrary to the marital status, the educational level has a positive impact on female employees. The educational return rate of female employees at all educational levels is higher than that of male employees, indicating that education has a more positive significance for the growth of female wages and incomes [10]. At the same time, women are encouraged to actively participate in education and training to improve their work ability and competitiveness. In addition to the above reasons, there are a number of other factors contributing to the gender pay gap, such as the type of work and career path differences.

The existence of the gender pay gap not only harms the rights and interests of female practitioners, but also reflects the gender inequality within the industry. This gap can lead to a lack of motivation and career development space for female employees, affecting talent flow and innovation across the industry. Solving this problem requires the government and society to establish a fair salary system, strengthen the cultivation of gender equality awareness, and promote gender equality advocacy within the industry.

4. Suggestions

To address the gender, pay gap, this paper advocates a multi-faceted, comprehensive approach. First, the government should strengthen legislation and supervision to prohibit gender discrimination and ensure that men and women enjoy equal rights and opportunities in the workplace. In addition, the government should also strengthen support for women and provide more parenting and family support policies to reduce women's family burden.

Secondly, enterprises should strengthen internal management, eliminate gender discrimination and prejudice, and provide employees with fair career development opportunities. In addition, companies should provide pay transparency to ensure that men and women are paid the same for the same ability and performance.

Finally, individuals should strive to improve their work ability and competitiveness and actively participate in education and training. At the same time, women should be encouraged to fight for their rights and interests bravely and not be afraid to compete with men in the workplace.

In conclusion, the gender wage gap is a complex and long-standing societal issue that requires concerted efforts and sustained attention to find solutions. By eliminating gender discrimination and prejudice, providing equal employment opportunities and training resources, and changing societal and family expectations for women, we can achieve gender equality in the workplace and close the gender pay gap.

By exploring the reasons behind Google's case, this article aims to improve understanding of the gender wage gap as a social issue and provide an argument for taking appropriate measures to promote gender equality. Governments, businesses and individuals should all take responsibility for achieving gender equality in the workplace. Only through such efforts and measures can we truly achieve gender equality, so that everyone has a fair opportunity to play their potential in the workplace.

5. Conclusion

By exploring the reasons behind the Google incident, this article improves people's understanding of the gender pay gap as a social issue and provides a basis for taking appropriate measures to promote gender equality. The study found that occupational gender segregation and gender discrimination are major factors leading to the gender wage gap. To address this issue, the paper advocates a diverse and comprehensive approach, including policy, business, and individual level measures to close the gender wage gap and achieve gender equality in the workplace. The limitation of the research is that this paper only study the salary data of one company, Google, which cannot fully reflect the gender pay gap of the whole society. In addition, the study only looked at base salaries and bonuses, and did not take into account other benefits such as stock options and retirement plans. Nevertheless, the study in this paper provides inspiration for future research. Future research could further explore the causes and effects of the gender pay gap and effective measures to eliminate gender discrimination. In addition, future studies could expand the sample to examine pay data from more companies to more fully reflect the gender pay gap.

References

- [1] Wright, E. O. (2000). *Class counts: the gender gap in workplace authority*. Retrieved from <https://www.semanticscholar.org/paper/Class-Counts%3A-The-gender-gap-in-workplace-authority-Wright/269b010a1645c3b206fa8cd97c475bd8e3eb8473>
- [2] Wang Yilin. (2020). *Gender pay gap from a global perspective*. *Talents Seeking* (06),36-39.
- [3] Zhang Fen. & He Wei. (2021). *The impact of family factors on gender wage differentials: empirical analysis based on CFPS data*. *Population and Economy* (02),84-102.
- [4] Wang Yu. (2022). *Research on the Influencing Factors of Gender Wage Difference in China's Labor Market*, Jilin University of Finance and Economics.
- [5] Li Shi, Wu Shanshan & Xing Chunbing. (2023). *The long-term evolution of wage income gap of urban labor force in China*. *Research on Financial and Economic*, (07),16-30.
- [6] Hilal Atasoy. (2013). *The Effects of Broadband Internet Expansion on Labor Market Outcomes*. *Industrial Labor Relations Review* (2),315-345.
- [7] GeorgeNezlek & GeraldDeHondt.(2011).*Gender Wage Differentials in Information Systems: 1991 – 2008 A Quantitative Analysis*. *International Journal of Social and Organizational Dynamics in IT (IJSODIT)*, (1),13-29.
- [8] Yuan Man. (2022). *Research to the influential factors of gender pay gap*. *Cooperative economy and science and technology*, (23): 92-94.
- [9] Zhu Jinxia, Lv Kangyin & Zhang Li. (2014). *Gender Income Gap and the Changes of Gender Discrimination*. *Technical Economics and Management Research* (06),83-89.
- [10] Zuo Qian & Luo Youxi. (2020). *Gender Wage Differentials in China's Urban Labor Market*. *Journal of Hubei University of Technology* (04),115-120.