

Are Men paid more than women?

The case examines the highly talked about aspect of gender discrimination, wherein women employees are purportedly offered lesser pay checks than their male counterparts in organizations. It explores the segments of gender discrimination as well as the job profile that define the pay of an individual's work profile. - BY **DR.POORNIMA GUPTA**



Malini Chaudhry, who usually would be very excited to go to her office, was feeling out of sorts. She was contemplating whether to talk to her manager about the incident that happened yesterday after her performance appraisal.

Malini was a topper from a prestigious management school, active in numerous extracurricular activities, and was highly respected by her professors. She had joined One Source, a company with a turnover of 350 Crores, as the Assistant Manager last year. The reason she chose this company was that she felt it offered several opportunities for growth and development, and more impor-

tantly, the pay was beyond her expectations.

As such, she felt that she had to work hard to prove herself deserving of the faith bestowed upon her by the company. Frequently, she would take work home with her and do further analyses. At other times, she would come into the office on weekends to monitor the progress of her projects or just to catch up on the correspondence.

Her Manager sent her to difficult assignments that often involved travelling to remote locations where their suppliers' manufacturing facilities were located. She never complained and tried to come up with innovative

solutions to solve the problems. She also received praise from some of the clients for her "dedication to work and eye for detail". She got along well with her colleagues and had an occasional informal get together over dinner with some of them. She was the often called upon by her colleagues in her department to give inputs on some problem or the other. She was very happy working with the organization as she felt her needs on the professional as well as the social front were being met. She could visualize spending many years here and dreamed of the day when she would be made the General Manager of her division.

But today, she was considering resigning. What had happened between yesterday and today that gave rise to such a drastic change in her attitude?

Let us rewind to 15 hours previously.

Her Manager, Mr. Ajay Sharma, called Malini for her annual appraisal. She had completed one year the previous month and was looking forward to this. She knew she had done well, but needed the reassurance from her boss that she was being appreciated for her work. She had received hints from her Manager that she was on fast track growth and therefore anticipated a positive feedback. She entered Mr. Sharma's office at 3 PM on Tuesday.

Mr. Sharma: Hi Malini. How was the day? Any new issues?

Malini: Hello, Mr. Sharma. The day was productive. We just had one small issue with the client in Durgapur who could not understand the terms of the letter of credit and wanted some clarifications. However, we were able to satisfy him and everything is back on track.

Mr. Sharma: Great Malini! I know we can always depend on you. So, I guess you know why I called you here today?

Malini: Yes Sir, for my appraisal.

Mr. Sharma: Yes Malini. You have completed one year with us. The time has gone so fast; I did not realize it until the HR gave me the form for your review. I have really enjoyed working with you this past year and hope to continue to do the same for many more years to come.

Malini: Thank you Sir. I sure hope so too. I am very happy here and have no complaints. The company and my job is everything I was led to believe. The people here are all very helpful. I like the team culture, and my job is very challenging. I really feel that I am making a contribution. You have been very helpful and patient with me. You got me involved right

from the start and listened to my opinions. You taught me a lot and I am very grateful. All in all, I'm happy being here.

Mr. Sharma: Good, Good. I was hoping you feel so since most of the people you worked with feel the same about you. You are highly appreciated by the team and an asset to the organization. So let's get down to the appraisal. As this is the first appraisal cycle with you, let me explain to you a little about the process. The Appraisal here is taken very seriously. We do a 360 degree appraisal where apart from both of us, we take feedback from others you have worked with. We take both the quantitative and the qualitative reviews. I have spent some time in going through the comments by the others about you and they are all very positive. If I may, I will discuss the points which I have awarded you on various parameters. You have received full points in almost all quantitative aspects except for a couple where I gave you 4 out of 5 because I felt you can do better. One is on assertiveness. You are good at looking at things from various perspectives. I wish you would assert yourself in terms of what needs to be done more. Another is also linked to the previous- your ability to take fast decisions. In order to create fewer ripples in the system, you dither over the course of action. It has not been a problem till now, but you need to work on these if you hope to be a good Manager in future. I hope you take these not as a criticism, but as suggestions for improvement.

Malini: Sure sir. I understand. Initially, I was a little hesitant because I was finding my place in the organization, but I hope I have improved and with your help and guidance, will continue to do so.

Mr. Sharma: I am sure of it Malini. As you can see, I am very pleased with your overall performance. You have received the highest rating I have ever given to any of my subordinates. Your



Dr. Poornima Gupta is the Asst. Professor, Organizational Behaviour and Human Resource Management, Great Lakes Institute of Management, Gurgaon. She is a Post Graduate in Management and has submitted her thesis for PhD. on "Role of Stress on Women Executives" at Hamdard University, New Delhi.

attitude, desire, and keenness to help are truly appreciated. The other people on the team gave you glowing reports. Since your performance has been outstanding, I'm delighted to give you a 15 percent increase effective immediately! This is the top bracket in the increments given out this year! Congratulations!!!

Malini: Thank you Sir! I am delighted to hear that you appreciate my performance and have shown confidence in me. I hope I will continue to live up to your expectations. Thank you so much.

After a few more minutes of discussing the future course of actions and possible additional responsibilities that she could take up, Malini exited Mr. Sharma's office in a buoyant mood. She was planning to call her parents the moment she reached her office to share the news with them. They would be so proud of her. Her father owned a business and had wanted her to join him, but she felt that she would have more

exposure in an alien organization. She had initially planned to join him after a few years of working with One Source, but she liked this job so much, that she was seriously thinking of telling her father to not to put too much hope in her joining his business.

As she was walking down to her office mulling over these things, she bumped into a new appointee. Rajeev was her junior in college and was also among the top 10 in his class. He had joined them just last month.

Rajeev: Hi Malini, lookout! So how are things?

Malini: Oh Hi Rajeev, Just great! It's an awesome organization to work at, isn't it?

Rajeev: Ya sure. I am glad I joined. I had many offers, but you wouldn't believe the salary they were willing to pay me to get me on board. I was in double mind to join another MNC or this, but finally I decided to join One Source, and haven't regretted it till

now. Do you know they upped the package almost 15% from their initial offer? Some told me to stick to my demands and I got it. It just shows that these people will pay you on how much you can negotiate with them. Imagine getting almost 20 lakhs fresh out of college? Malini, Malini, where are you going? Malini, what is it? What do you mean it's not right? Malini?

Malini rushed back to her office. Her eyes were prickling with rage and disappointment. She couldn't understand this. She was hired at a package of 18 Lakhs last year and with the increment, it just crossed the 20 Lakh bracket. But Rajeev joined recently with 20 Lakhs? She could not understand this. How can the company do this to her? She worked hard to prove herself and reached a salary which Rajeev a new recruit was getting? Was it because she was a girl? She had heard about the glass ceiling but had never felt it here. Though if she thought about

it, there were no women in the higher management positions. The highest position held by the female in One Source was as the AGM. She had heard a few people talking in the cafeteria some time back on new recruits getting higher pay, but never paid much attention to it. She thought that these were just complainers who had nothing better to do but demean other people's efforts. But now she felt cheated. Could she have negotiated a higher salary? Was she made into a fool? She decided to talk to Mr. Sharma immediately but changed her mind. She wanted to be calm and composed when she spoke with him.

So today morning, she reached her office and called Mr. Sharma to ask if he could see her. Mr. Sharma agreed to meet with her in one hour's time. Malini was contemplating that should she first talk with Mr. Sharma or just hand over her resignation.



Dr. Sunitha Thampi is the Director of Analytics & Insights, Asymmetrique and is also a Senior Research and Insight Professional. Erstwhile, she has worked with Project Concern International (PCI) as a Technical Specialist M&E in Delhi. Sunitha has completed her M.A. in Psychology from Kerala University and holds a PhD in Psychology from Pune University.

The above-mentioned case is a typical illustration of the 'feeling of unfairness' that most of us experience in our life. Experiencing or even witnessing an 'act of unfairness' triggers extreme emotions in all of us.

Research has proven that feeling towards unfairness is not just a momentary reaction, when we perceive injustice; we experience a strong and an immediate physical and biological reaction to it. Research shows that the reward centres of our brains activate when we identify fairness. The primitive part of the brain that controls fear and anger called Amygdala, gets stimulated when we face any unfairness. It generates an emotional phase of "fight or flight, which make us anxious and forces us to take an immediate action. It creates an emotional state of "fight or flight" within us, resulting in a sense of anxiety. The people who fight for 'unfairness' for the others

actually carry self-interest in disguise. It provides us with some type of advantage to be fair in life.

The predicament of the employee

Ms. Malini is in a state of 'flight' by deciding to submit her resignation. If she decides to speak on the issue in an argumentative way with her Manager, she would have transcended to 'fight' mode.

Quitting a situation without taking any effort to understand and resolve the problem may not be an ideal option. Moreover, we face these situations quite often in our lives. Similarly, we do not have to accept every injustice as an unavoidable part of our life. However, the need to accept our response to perceived wrongs affects our ability to right them.

Immediate reactions in this situation limit our ability to think rationally and respond proactively. We cannot create positive change

from a negative mind-set. We have to heal our pain before we try to involve in resolving it, and we have to stop seeing ourselves as victims if we want to access our personal power.

We may not be able to guarantee specific outcomes for our actions, but we can increase our chances of making a difference by being clear-headed, patient, and consistent. We should try to move beyond the emotional aspect of a stressful situation, so the situation does not take control over us.

The management also go through the mind-set of 'fairness'. They expect much more from people who get better packages as compared to people, who are just about paid the right scale or standards that are down market. Many employees have to undergo a demotion or even leave the company if they cannot justify the salary they take home.

Studies show that people who draw salaries higher than the market standards experience high stress, low job satisfaction and work-life balance. They change their jobs frequently compared to others.

Hard work is merely one component for career success. The hard work of an employee will be acknowledged better if it is combined with their personal skills in problem solving, conflict resolution and emotional management. Personal attributes of employees like 'perseverance', 'commitment' and 'emotional maturity' finally decide their career success.

The Managerial options

Human beings are not machines and their decisions are influenced by multitude of factors that are available at a point of time. Even though we think we have taken a decision rationally, it is influenced by various intrinsic and extrinsic factors. It includes our mood, perceptions, prejudices, values, cultural and religious background, family upbringing, education and

life experiences, all combining to form our "frame of reference or personal world." Other than legal and safety issues, these rules are often based on personal bias and opinions of what we think is right and wrong.

When it comes to organizational decisions, we solely cannot be dependent on our personal biases and opinions. We have to make it more structured and fair to everyone. A feeling of 'unfairness' at work creates a lack of motivation and commitment among employees. It raises a doubt among the employees as to

meaning out of their work.

The basic step for 'job enrichment' is to help them to be emotionally connected with the organization, team and ultimately their work.

When a Manager hears 'unfair treatment' from a dedicated employee, and he feels that it is a genuine concern, he has to take it seriously and bring it before the senior management immediately. The loopholes in the systems should be rectified so that such practices do not surface in the future.

Ultimately, employees are the



why they are part of this community. More than the workload, the sense of being treated unfairly by the boss, is closely associated with the risk of employee depression. When the morale within an organization is dampened, it affects the productivity of the employees and ultimately performance of the organization.

It is important for leaders to think about things they may have done that would demotivate employees and push them from becoming emotionally part of the organization. Structures and processes in offices actually help to overcome human biases. Panel decisions help in neutralizing personal biases. The major role of managers or organizational leaders is to aid the employees to derive

blood and flesh of any organization. As Ulrich (2005) rightly said, "Human capital is intangibles, which represent value derived from choices about what happens inside the firm and from how investors value those decisions, rather than from its physical assets".

Attitude towards employees represents the culture of the organization. Satisfied, highly motivated and loyal employees represent the basis of a competitive company. Their commitment and motivation take organizations to any heights. It brings innovation and growth to the organization. Be focused on your people and be fair to every one of them. It always pays back to the organization.

Malini should not submit her resignation since it would not be a wise decision on her part. Rajeev might possess exceptional talent that the organization was in need of, and, may be playing a different role within the organization as compared to Malini. The salary offered to him must be for the value he brings to the organization. Malini should calm down and talk to other recruits as well before approaching Mr. Sharma.

One needs to understand that every year the needs of an organization undergo varied changes and talent acquisition is carried out in line with these changes. As companies become



Rupeksha Jain is the founder of Perrsona Finishing Academy, which specializes in personality development, stress management, communications and career counselling among others. She also heads the Talent Acquisition team and personally takes care of the talent in her company. With a flair for networking across industries, Rupeksha carries experience in the field of Communications, Journalism and is an MBA in Entrepreneurship.

more automated, the skill-set required becomes more complex and the number of alternatives becomes scant. Newer employees bring with them different perspectives to ongoing hitches, which are often hard to decipher if you work in the system. The higher salaries offered to them is justified for the value and the skill-set they offer to the organization.

Meanwhile, existing employees are judged on their performance, experience and the knowledge of how the industry works. In India today, appraisals are carried out through the bell curve system that compares employees' performance relative to others and puts them in different rankings - top, average and bottom performers. This year the average hike in appraisal is around 10-12 per cent. In my opinion, this system needs to evolve. The appraisal system needs to be intuitive, focused on feedback, and developmental. Individuals need to move swiftly within the system, acquiring all the foundations of knowledge and new skills that they require to progress into supervisory and management roles.

According to Kelly Services Salary Guide 2015-16, the economy is growing steadily with the official projections at 7.5 per cent and investor sentiment largely upbeat. The nation is witnessing progress across all sectors and therefore will see more employment generation. Interestingly, a large portion of India's workforce is moving from the informal to the organized market.

For HR experts like us, today's competitive advantage lies in identifying the following factors:

Talent acquisition and retention cost

It is essential for human resource managers to understand where different types of talent comes from, how to attract and engage them, and-most importantly-how to design a roadmap for incorporating talent into an organization's business processes, decisions, and

planning. Moreover, it also becomes imperative to strike the right balance on workforce costs while retaining this talent with appropriate rewards and recognitions.

Gender equality

Major companies in India overlook gender-based discrimination while employing an individual. A talent-based and rights-based approach is used in promoting decent and productive employment and income opportunities equally for women and men. These companies ensure full human resources development, through equal access to training and skills development for all. A woman can be extraordinary with a particular talent in a particular role and vice-versa.

Job roles and salaries

With great power come great responsibilities. Talent that contributes spectacularly to solutions for the ever-changing industry or to any other crucial metric of the organization can be paid the most. Some job roles accompany higher accountability and surmounted pressure. Individuals working under such conditions are paid more for the job as compared to others.

Furthermore, an individual working on a complex task is compensated with higher salaries. For instance, specialist talent like auto designers in automakers, globally experienced energy experts in renewable energy companies, expatriate talent recruited by Indian companies with a local CEO, a high-performing regional head of a global company, star sales managers in big companies are some of the categories where executives are often paid more than a company CEO.

Therefore, it is advisable to keep yourself updated with the evolving needs of the industry, hone skills on an on-going basis and never leave the next possible chance to prove that you are equal to others, if not better!

