

# Closing the Gap: How Organizations are Making Fair Pay a Reality

# Today's Presenters

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# Today's Agenda

- Data and findings from the Gender Pay Gap report 2024
- What organizations can do to help close the gap
- Best practices and tips for fair pay
- How Payscale can help with pay equity and pay transparency



# Gender Pay Gap Report 2024

# Methodology

Payscale's annual Gender Pay Gap Report (GPGR) reveals how much women are paid compared to men according to our Employee Reported Data (ERD).

Over 627,000 people in the U.S. took Payscale's free online salary survey between January 2022 and January 2024.

The full report includes analysis by parent status, job-seeking status, remote work status, race, job level, age, education, industry, occupation, state and metro location, and more. For analysis by race, we looked only at those with at least a bachelor's degree.

The full report can be viewed and downloaded from [Payscale.com](https://payscale.com).



# The gender pay gap hasn't closed in 2024

## Uncontrolled gender pay gap

This “opportunity pay gap” measures median salary for all men and all women.

Women earn

**83¢**

for every \$1 earned by men

## Controlled gender pay gap

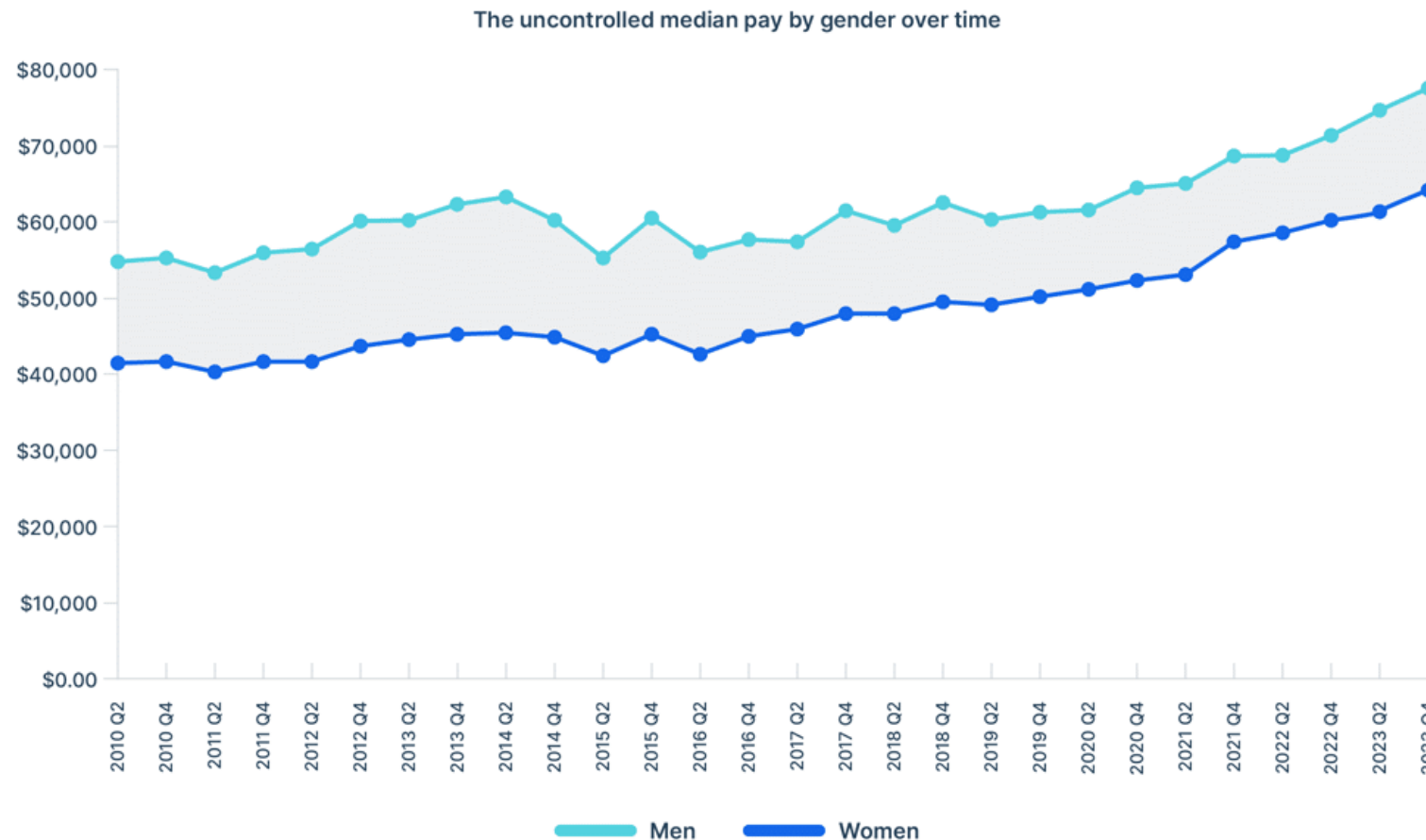
This measures median salary for men and women with the same job and qualifications.

Women earn

**99¢**

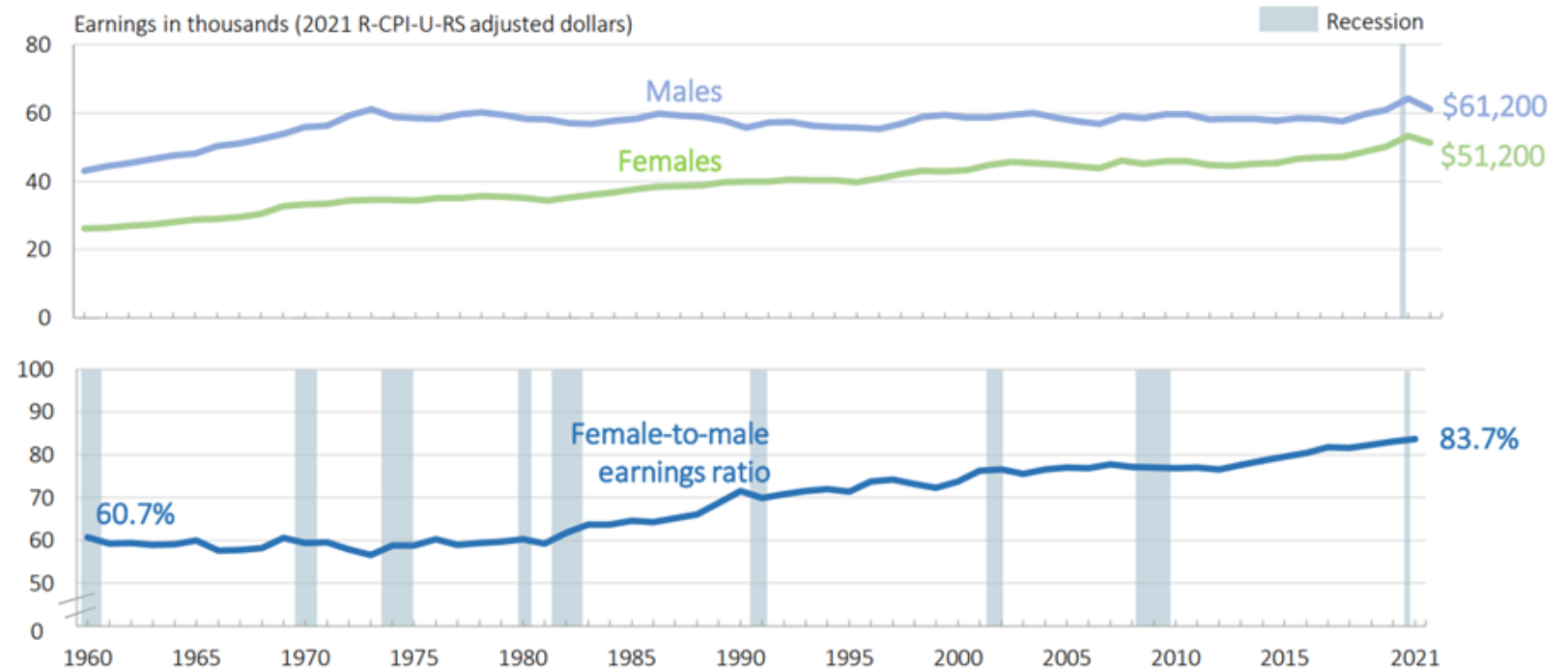
for every \$1 earned by men

The gender pay gap reflects the difference in pay between men and women.



The gender pay gap since 1960 according to the U.S. Census Bureau.

Female-to-Male Earnings Ratio and Median Earnings by Sex: 1960 to 2021  
(Full-time, year-round workers, aged 15 and older)





The gender pay gap has closed only incrementally in recent years



# Poll 1: Do you know what your gender pay gap is?

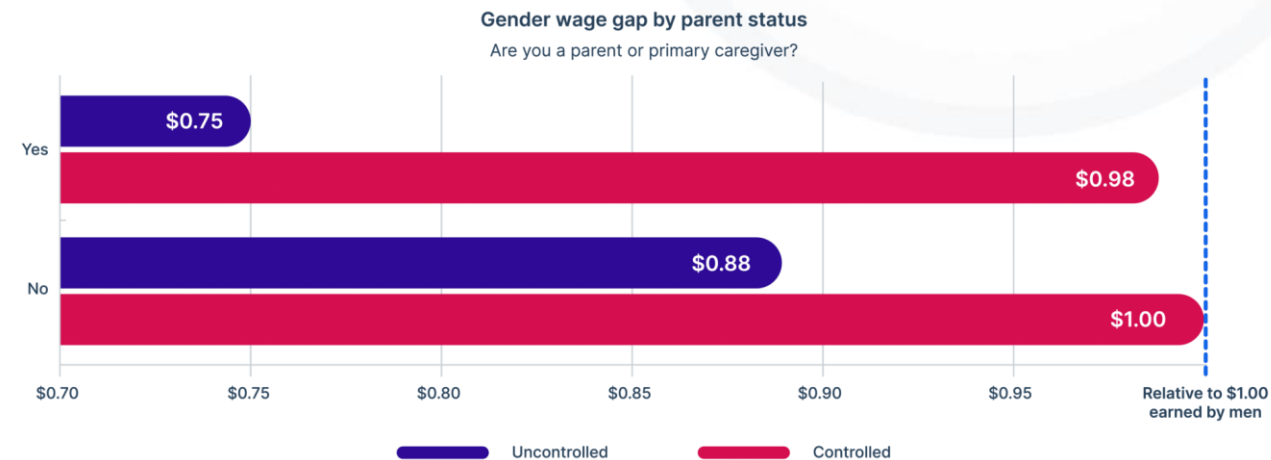
- A. Yes, for the controlled gap (employees with the same job characteristics)
- B. Yes, for the uncontrolled gap (overall regardless of job)
- C. Yes, for both the controlled and uncontrolled gap
- D. No
- E. Unsure

# The top jobs with the widest gender pay gaps reveal that gender norms contribute to bias

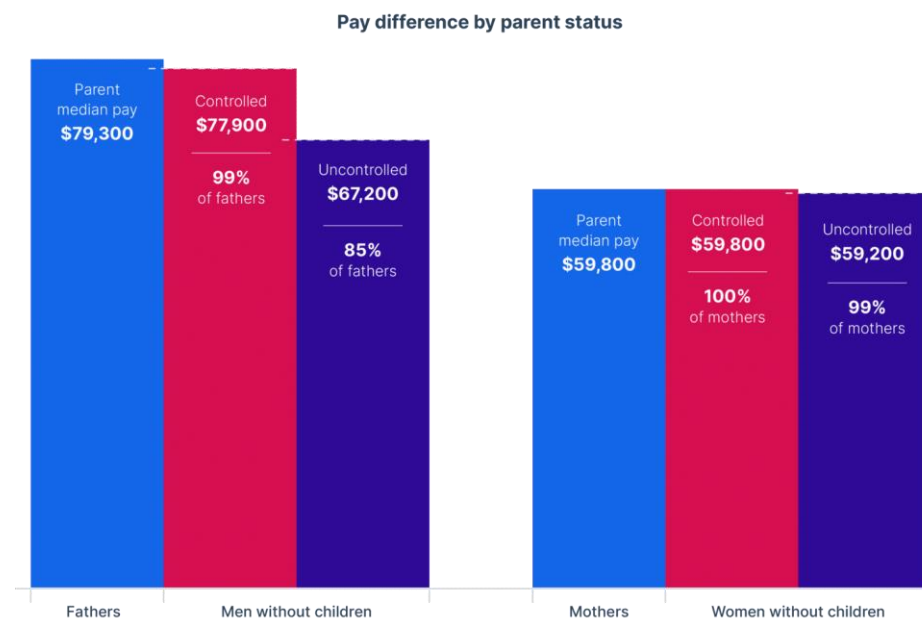
Rank	Top 20 jobs with a gender pay gap	Controlled gender pay gap	Median pay - men	Controlled median pay - women
1	Drivers/Sales Workers	\$0.83	\$41,600	\$34,600
2	Directors, Religious Activities and Education	\$0.87	\$54,100	\$46,900
3	Merchandise Displayers and Window Trimmers	\$0.88	\$35,100	\$30,800
4	Clergy	\$0.88	\$58,500	\$51,300
5	Chemical Equipment Operators and Tenders	\$0.89	\$46,100	\$41,000
6	Administrative Services Managers	\$0.90	\$71,400	\$64,400
7	Credit Analysts	\$0.91	\$65,400	\$59,300
8	Insurance Sales Agents	\$0.91	\$53,800	\$48,900
9	First-Line Supervisors of Production and Operating Workers	\$0.91	\$64,700	\$58,900
10	Inspectors, Testers, Sorters, Samplers, and Weighers	\$0.91	\$55,700	\$50,700
11	Transportation, Storage, and Distribution Managers	\$0.91	\$58,200	\$53,100
12	Claims Adjusters, Examiners, and Investigators	\$0.91	\$65,300	\$59,700
13	Database Administrators	\$0.92	\$86,700	\$79,600
14	Production Workers, All Other	\$0.92	\$45,700	\$42,200
15	Physician Assistants	\$0.92	\$117,000	\$108,000
16	Retail Salespersons	\$0.93	\$33,800	\$31,300
17	Physicians and Surgeons, All Other	\$0.93	\$279,000	\$259,000
18	Cost Estimators	\$0.93	\$73,100	\$68,000
19	Maintenance and Repair Workers, General	\$0.93	\$48,100	\$44,800
20	Financial Managers	\$0.93	\$114,000	\$106,000

O\*NET OnLine has detailed descriptions.

Parent status  
impacts mothers'  
pay negatively  
— and fathers'  
pay positively.



2024 Gender Pay Gap Report | [www.payscale.com](https://www.payscale.com) |

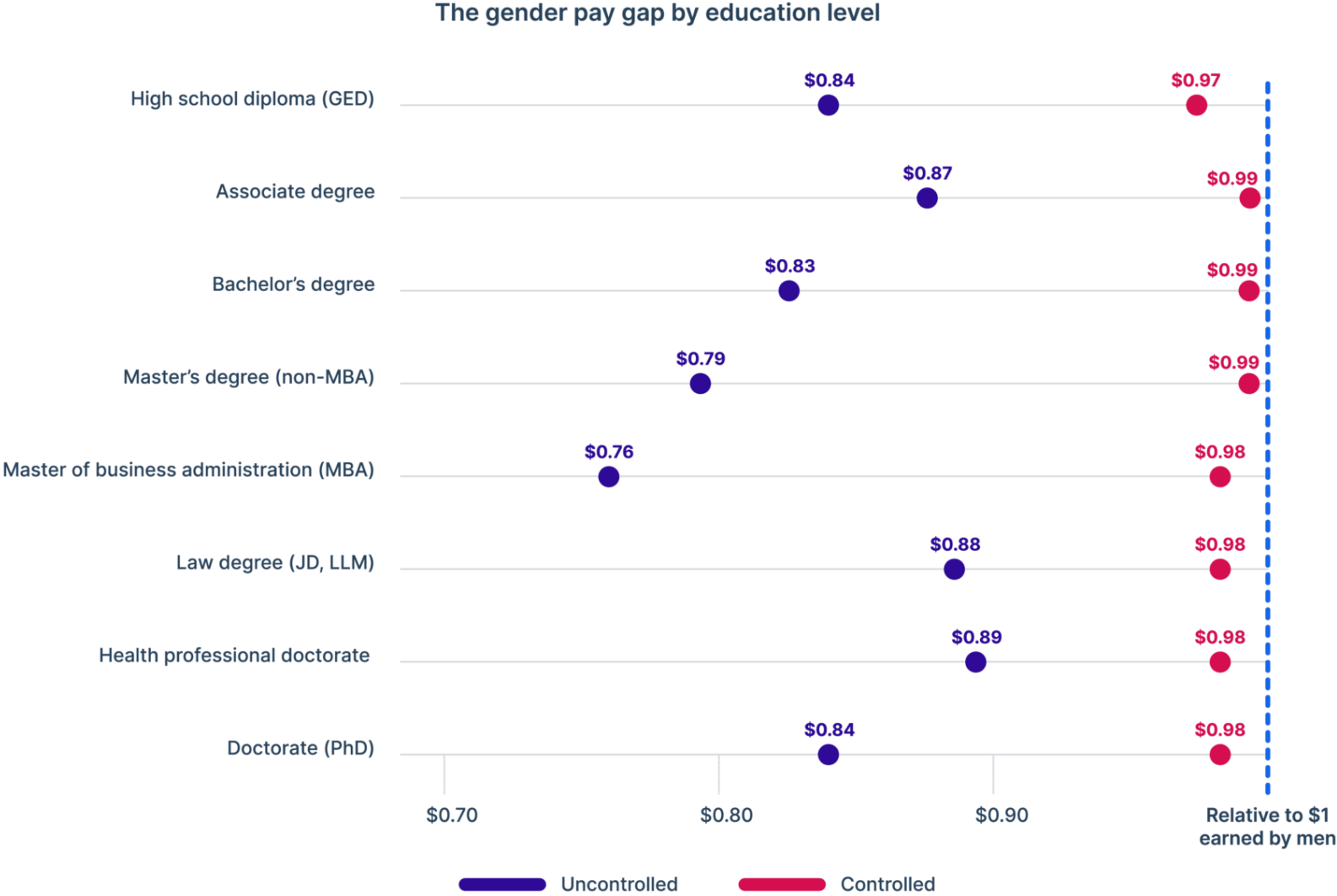


2024 Gender Pay Gap Report | [www.payscale.com](https://www.payscale.com) |

# The gender pay gap widens as women age



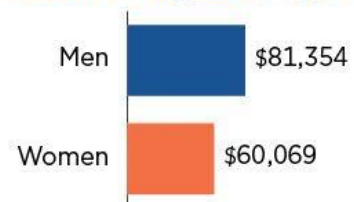
Education  
does not  
close the  
pay gap.



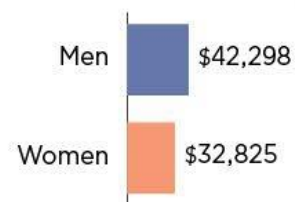
# Corroborating research on education and the pay gap

## Median Earnings for Full-Time, Year-Round Workers by Educational Attainment for Men and Women

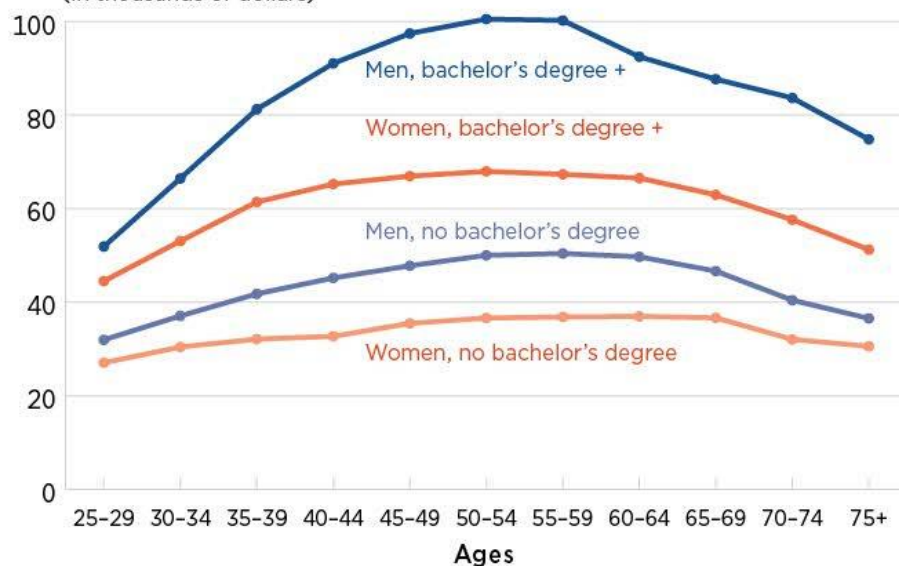
### Bachelor's degree or higher



### Less than bachelor's degree



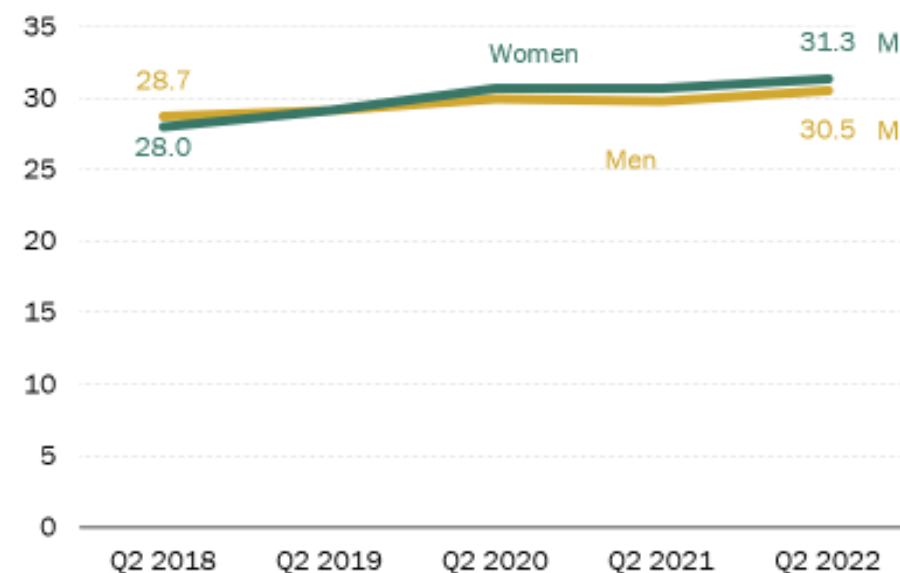
### Full-time, year-round workers (In thousands of dollars)



Note: U.S. Census Bureau's Disclosure Review Board approval number: CBDRB-FY19-ROSS-B0093.  
Source: U.S. Census Bureau, 2017 American Community Survey.

## Women now represent a majority of the college-educated labor force in the U.S.

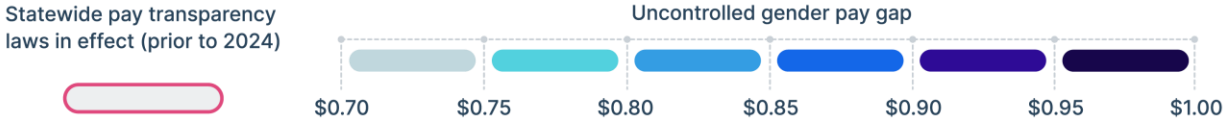
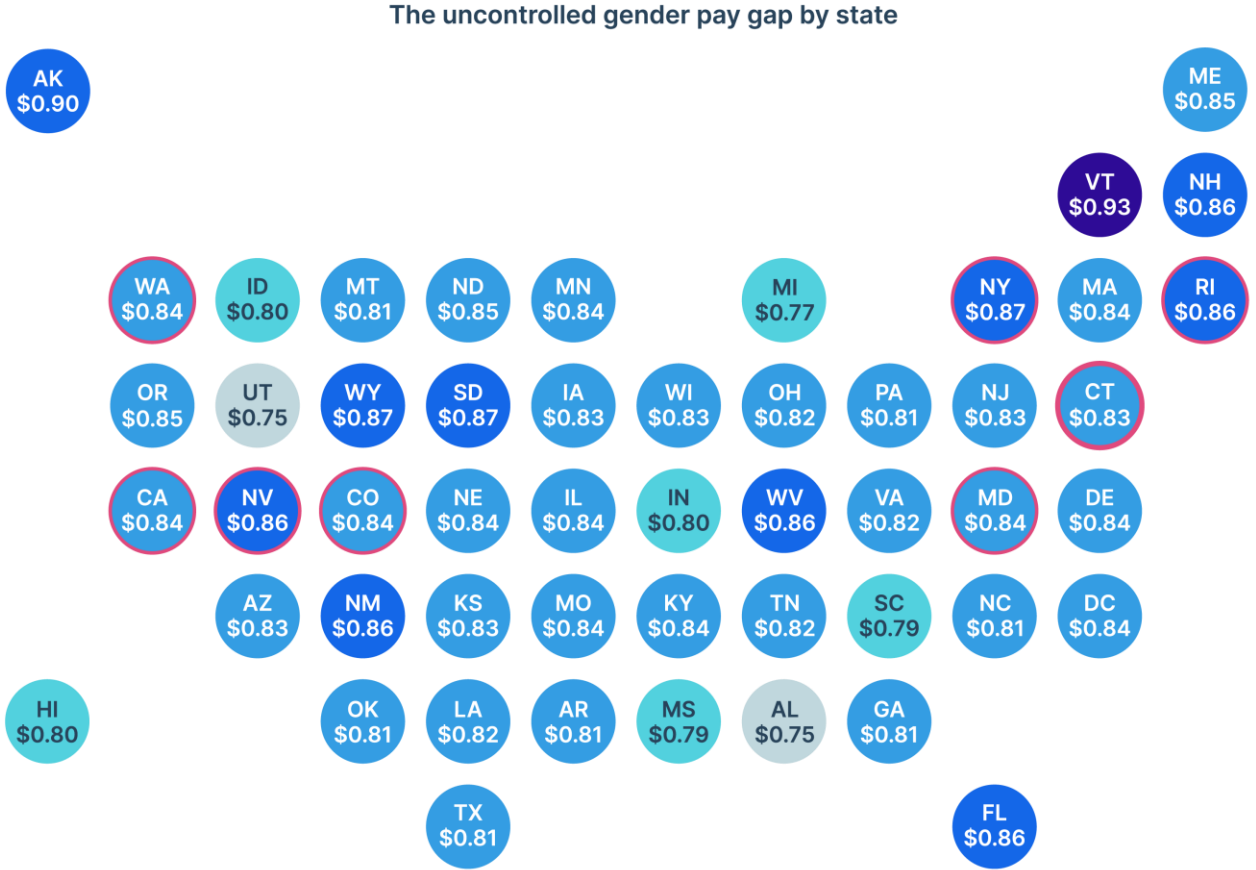
Number of people ages 25 and older in the U.S. labor force with at least a bachelor's degree, in millions



Note: Estimates refer to civilians ages 25 and older who are either employed or actively looking for work; they are not seasonally adjusted.  
Source: Pew Research Center analysis of April, May and June Current Population Survey monthly files (IPUMS).

PEW RESEARCH CENTER

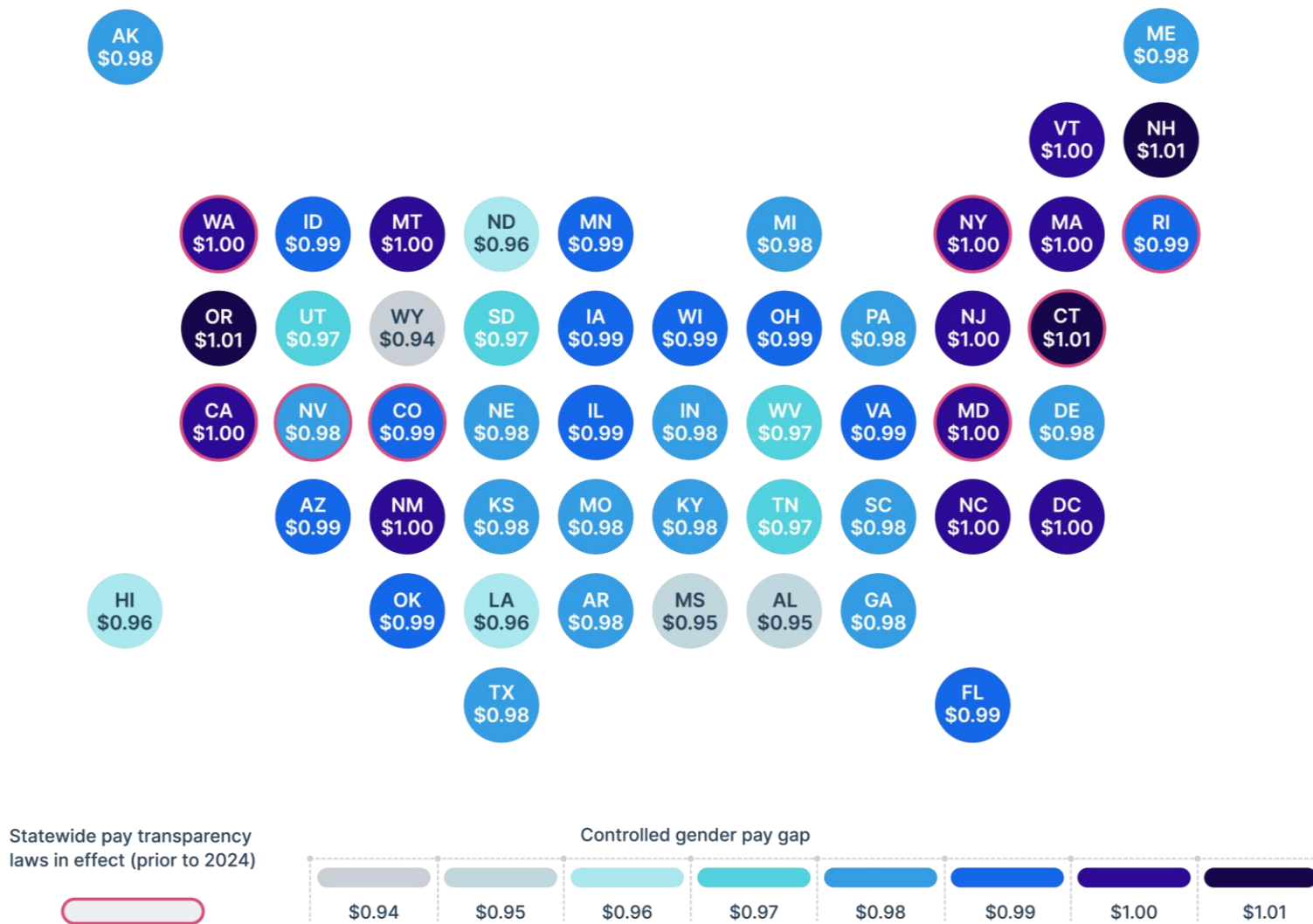
The gender pay gap (uncontrolled) isn't closed for any state in 2024.





The gender pay gap closes for some states when controlled, both with and without pay transparency laws.

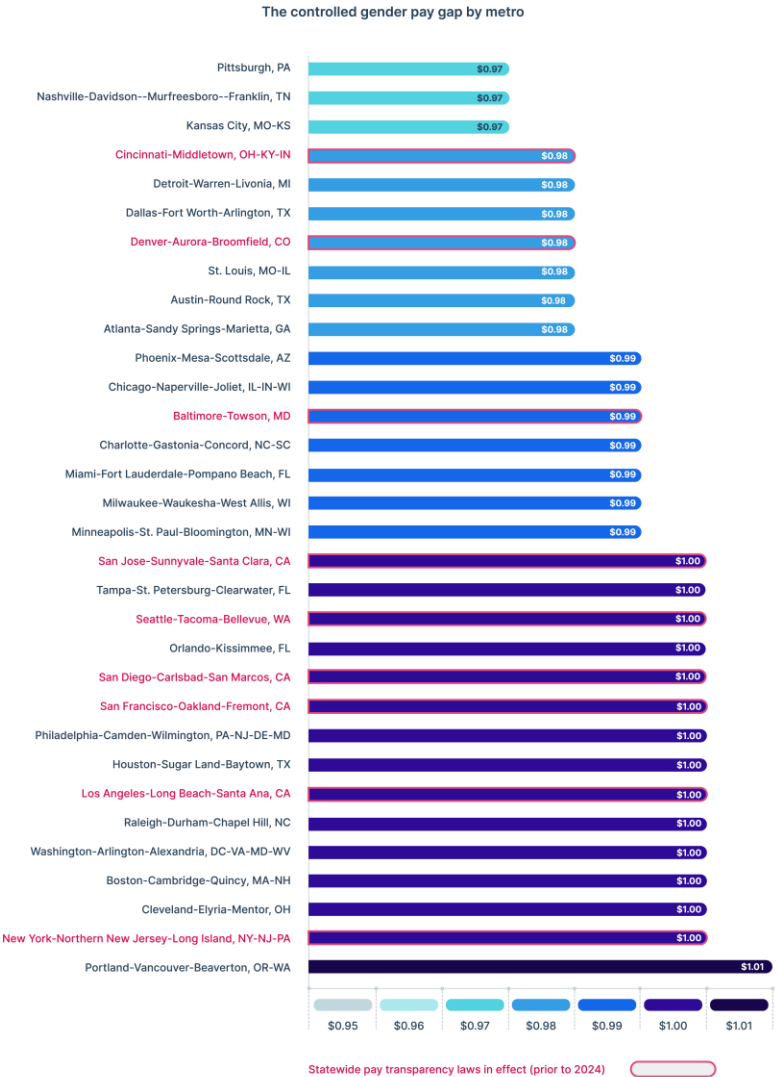
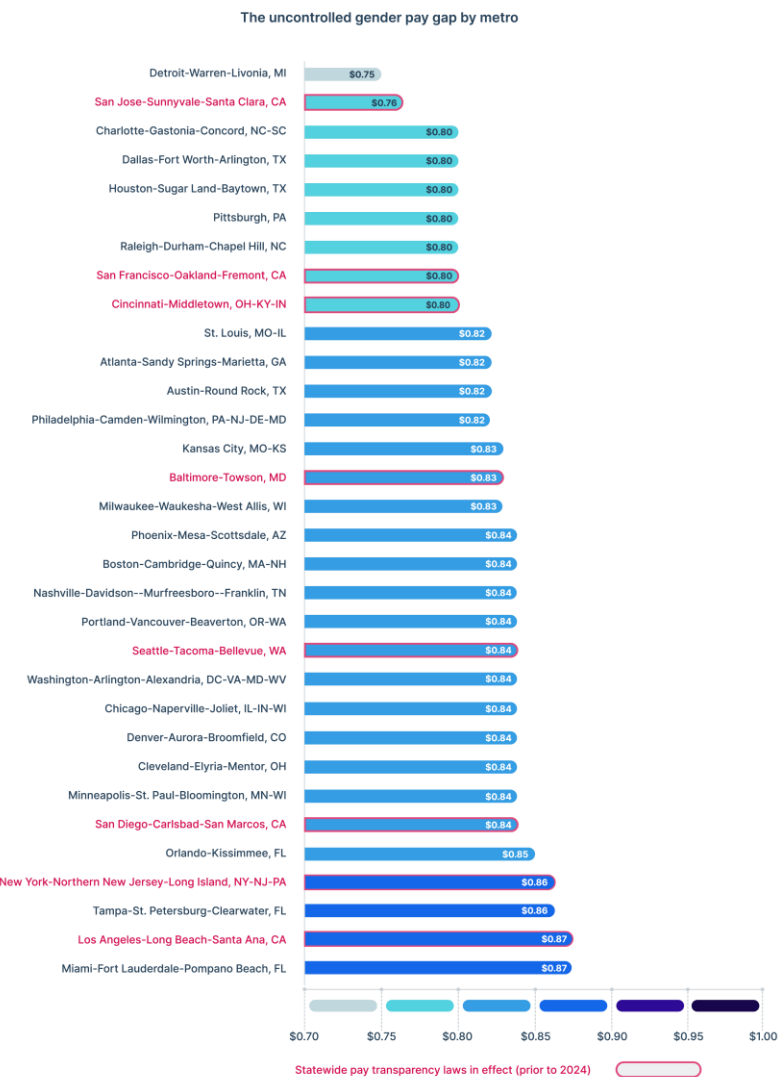
The controlled gender pay gap by state



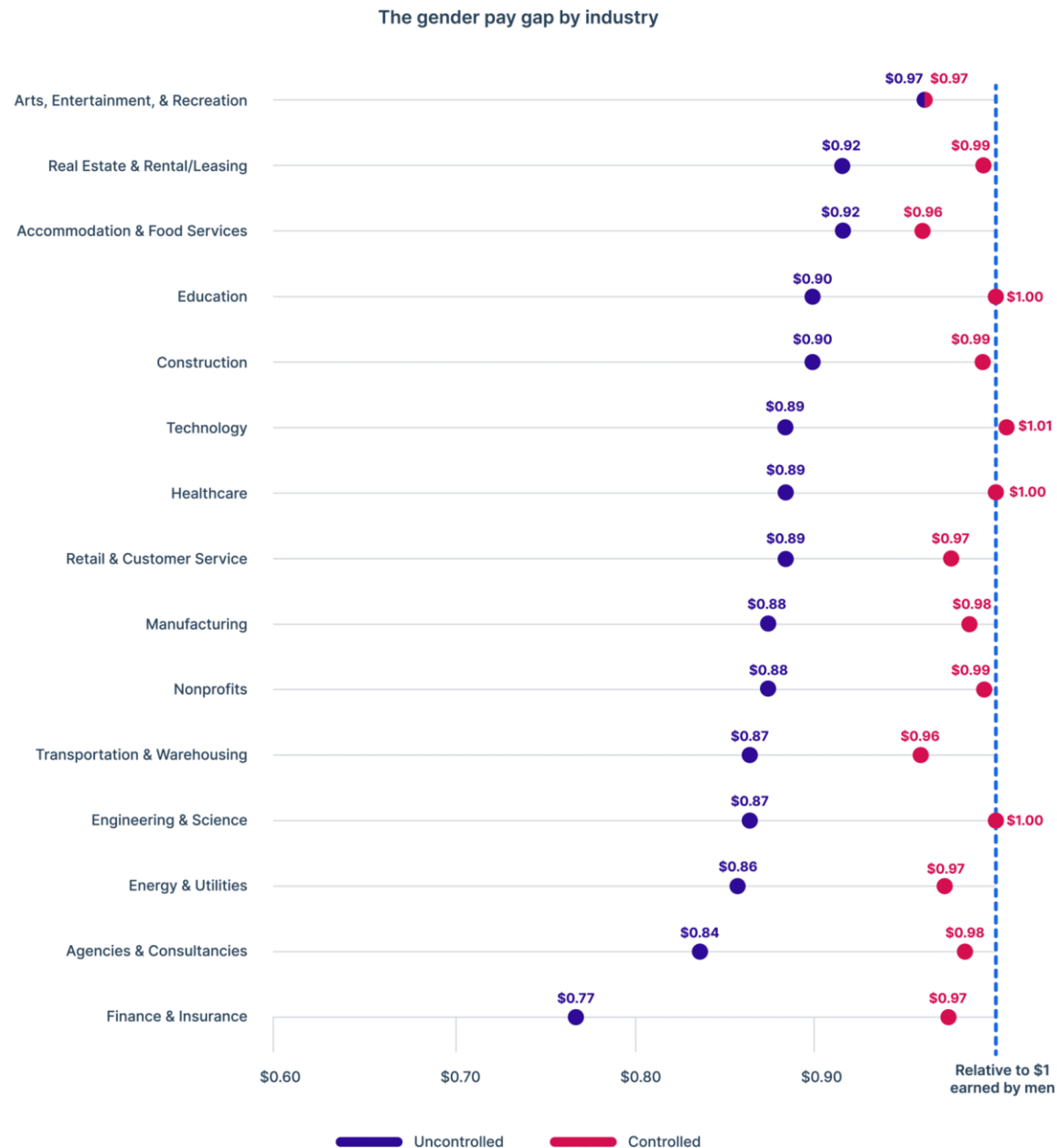
## Poll 2: Has recent pay transparency legislation driven your organization to change its compensation practices?

- A. Yes, we are investing in equitable pay structures for the first time
- B. Yes, we are rapidly trying to improve our pay data, pay structures, and pay equity
- C. No, we already have pay transparency
- D. No, we are resisting pay transparency
- E. Other (please specify)

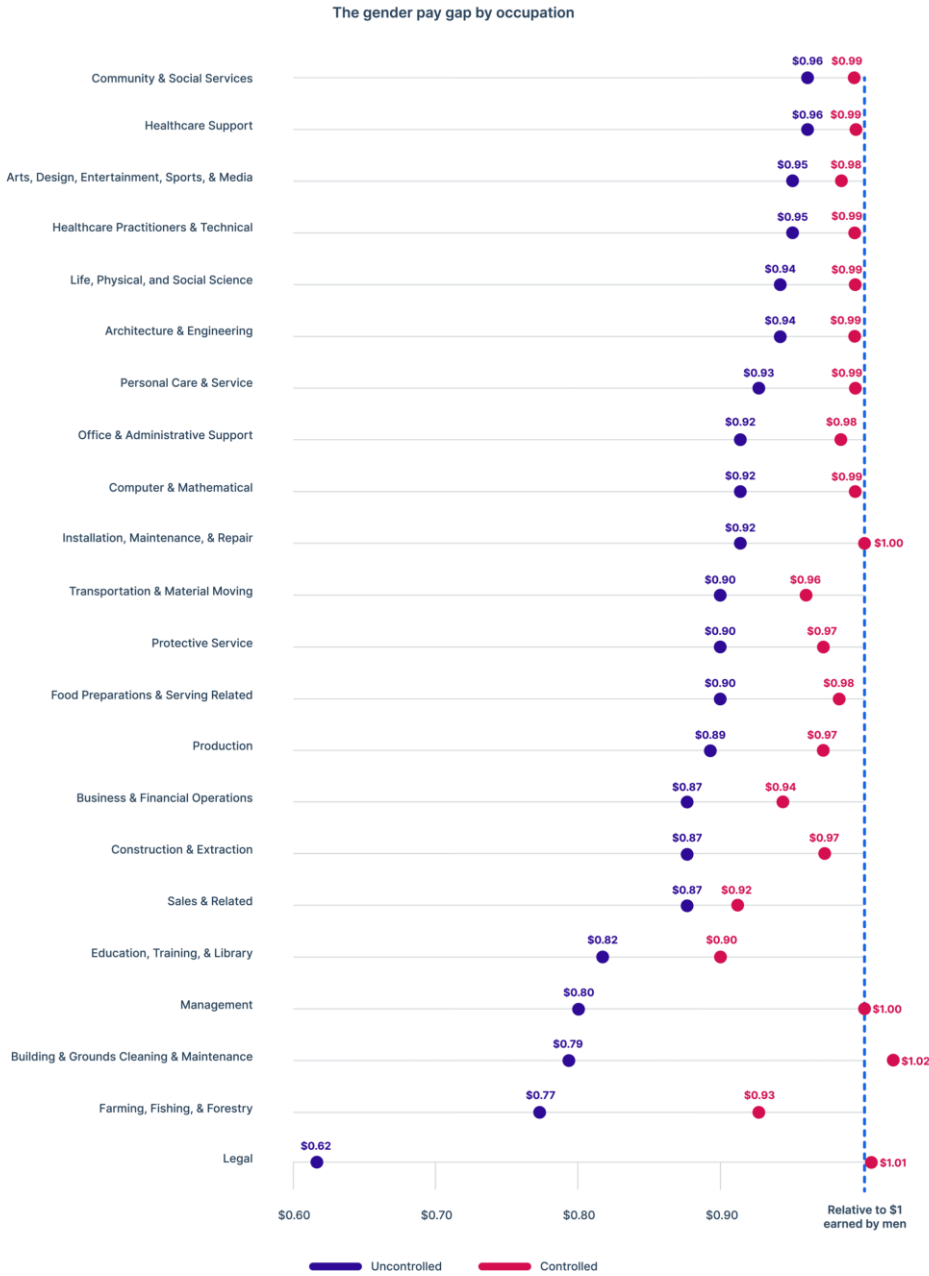
By metro, the gender pay gap has widened compared to during the Great Resignation.



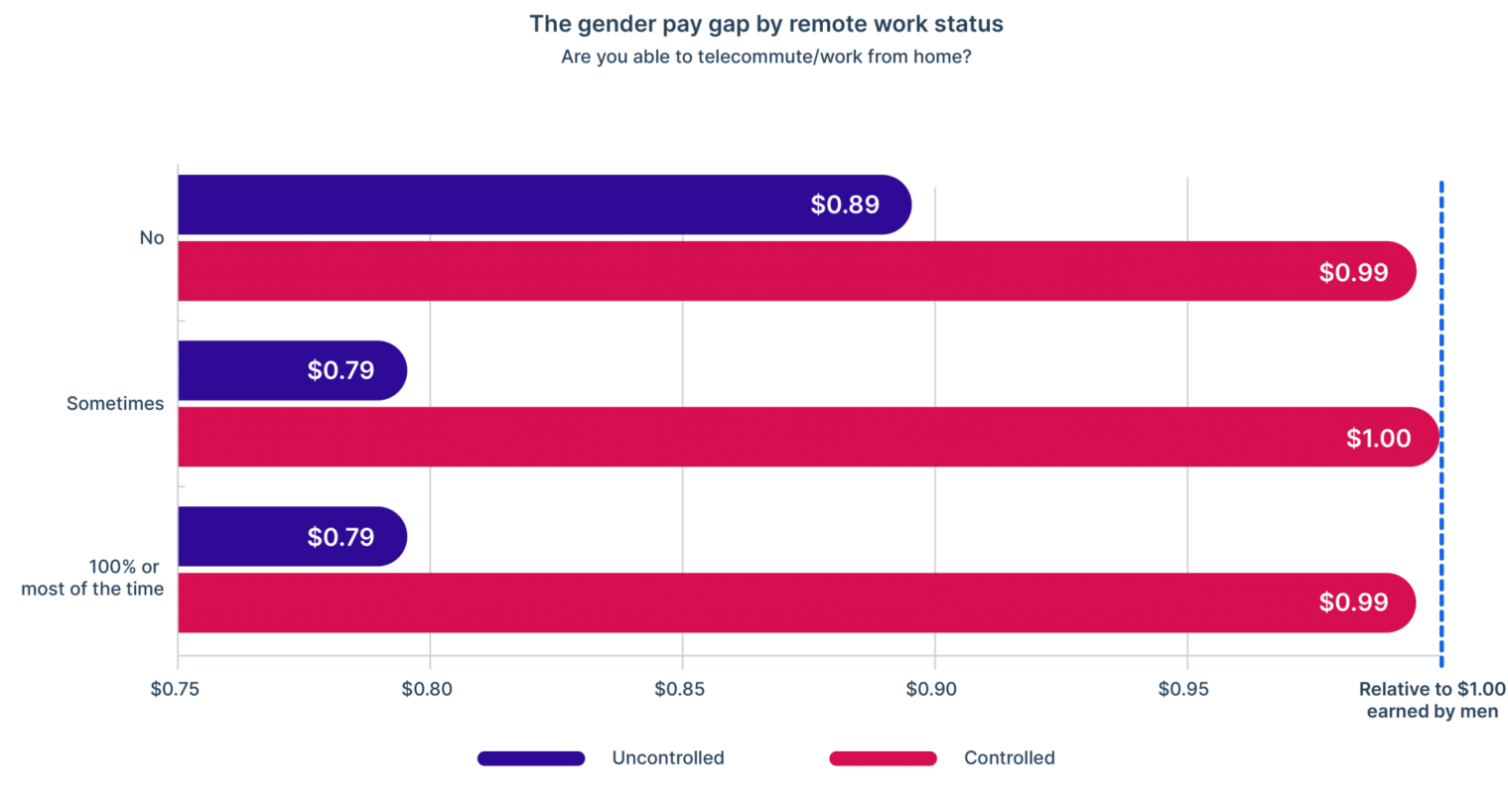
By industry, the gender pay gap closes when controlled for education, technology, healthcare, and engineering & science.



By occupation, the gender pay gap closes when controlled for installation, maintenance, & repair, management, building & grounds cleaning & maintenance, and legal.



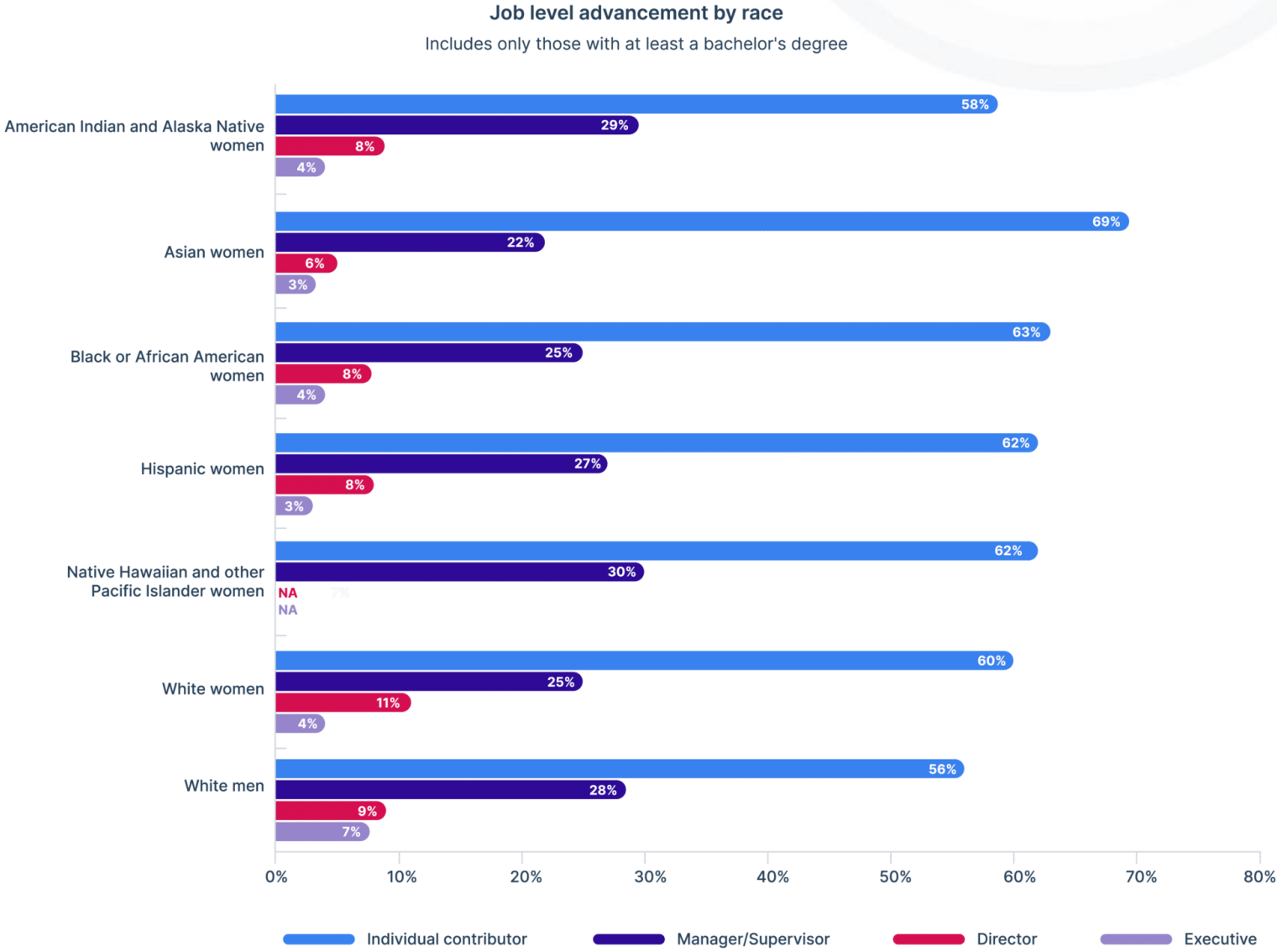
The gender pay gap is wider for women who work from home.



The gender pay gap has narrowed more rapidly for women of color than overall



Fewer women  
advance up the  
corporate ladder  
compared to men.





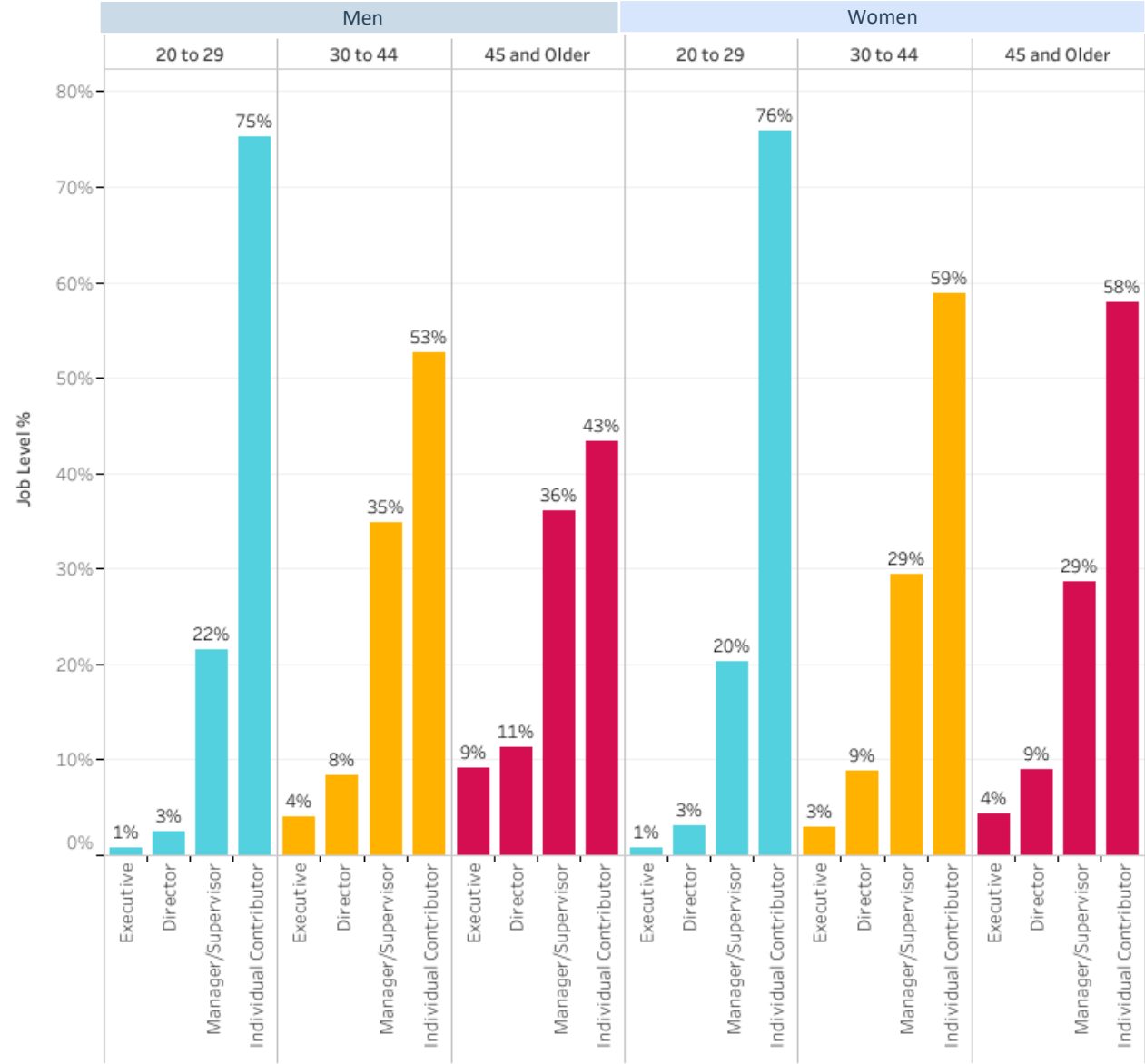
The gender pay gap widens as women progress.



Opportunity Gap by Age Group

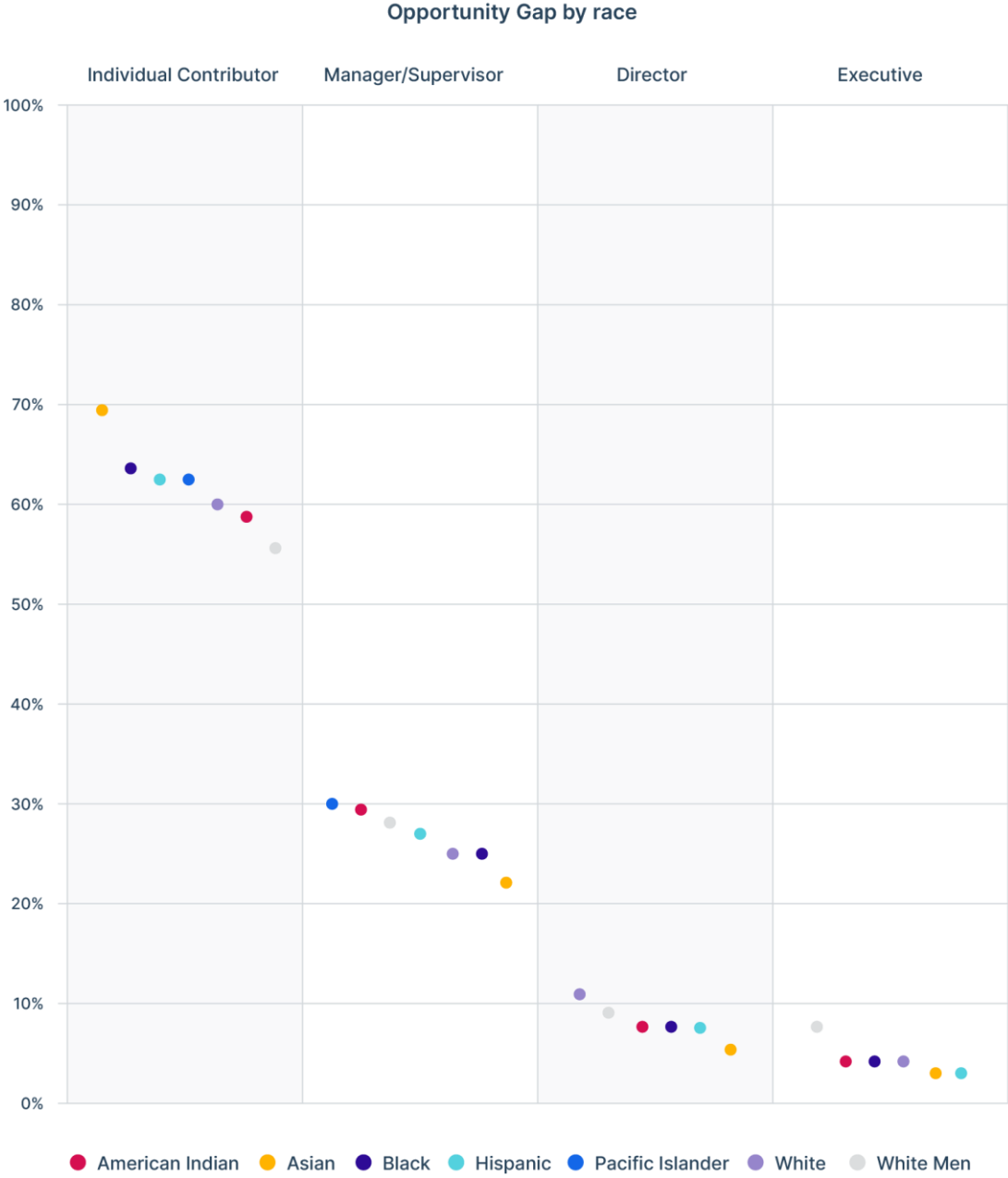
Select a Category  
Opportunity Gap by Age Group

Job Level  
All



Women advance more slowly up the corporate ladder compared to men.

White men are more likely to be executives than women of any race.



# Poll 3: Does your company currently have systems in place to understand and manage biases?

- A. Yes, we monitor for pay biases
- B. Yes, we monitor across our talent management processes for all biases
- C. No, we do not
- D. We are working on it
- E. I am not sure

**What can organizations do  
to help close pay gaps?**

### Uncontrolled gender pay gap

This “opportunity pay gap” measures median salary for all men and all women.

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### Controlled gender pay gap

This measures median salary for men and women with the same job and qualifications.

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**There is still work to do to close the gender pay gap**

**We know we don't pay  
people inequitably  
intentionally - so what's  
going on?**

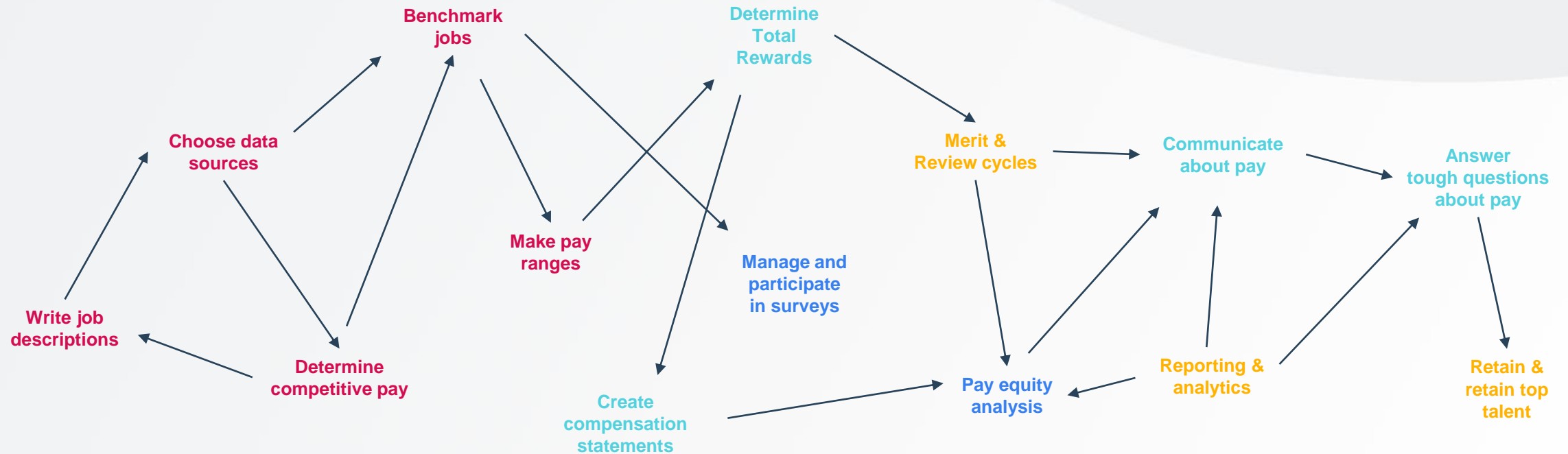


**We are confident there is a path to closing pay gaps**



# Creating a fair pay practices can be complex





**51% of employers are** experiencing increased tension between ensuring fair pay for employees and optimizing spend on compensation due to inflation or market changes driving higher wages



# Payscale helps organizations build and scale fair compensation practices



# What a **consistent** compensation program looks like

-  Get buy in and commit to build transparent and consistent pay practices with a compensation philosophy that embeds fair pay.
-  Leverage creditable market data to implement your compensation strategy.
-  Ensure you have the pay structures or a job architecture that allow you to pay consistently against all employees currently in a role.
-  Review your programs regularly to ensure that you continue to stay relevant in your market, ensure internal relativity and that your pay strategy is implemented according to plan.

**While it is importance for HR and Comp to implement consistent pay programs, it is also important that these are shared with everyone influencing pay decisions.**

# What a **collaborative** compensation program looks like



## **Talent Acquisition**

Understanding of your  
pay programs and  
market strategy

Equipped to set new hire  
and maintain fair pay



## **People Managers**

Understanding of your  
pay programs and pay  
progression

Equipped to keep  
employees in line with  
fair pay strategy



## **Leaders**

Sponsors of fair pay

Setting and maintaining  
fair pay strategy

Understanding how pay  
programs impact talent  
and business strategy

# How a **collaborative** compensation program comes to life



## **Talent Acquisition**

Job description  
alignment with initial pay

Final pay decision for  
new hires

Feedback loop from the  
market



## **People Managers**

Job description  
alignment

Final pay decisions for  
existing employees

Key employee retention  
strategy

Alignment on employee  
communications



## **Leaders**

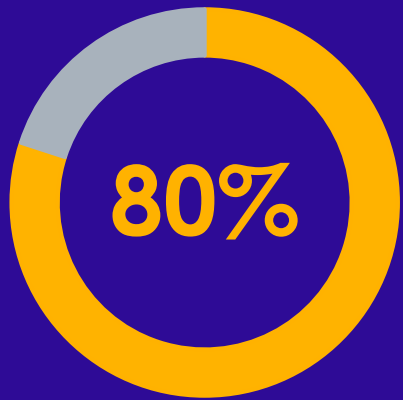
Visibility to pay strategy &  
impact

Understanding how pay  
programs impact talent  
and business strategy

Review strategy in line  
with changing business  
requirements

**Transparency** can help answer questions from employees how pay decisions are made with fairness in mind

# Job seekers and employees want to know the “what” and the “why” behind their pay



Of respondents believe employers should always explain how pay was determined<sup>1</sup>.

What data are you using to make this decision?

Why is my data source giving me a different number?

What is the range for my role? Where do I fall within the range?

How do I progress my pay?

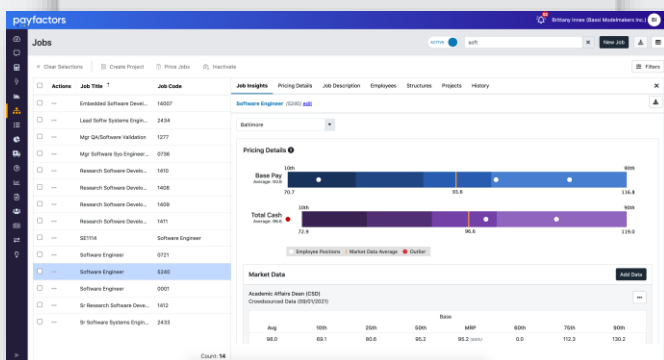


# Developing a fair pay program with Payscale

## Consistency

Three data sets with  
unique perspectives on  
the market

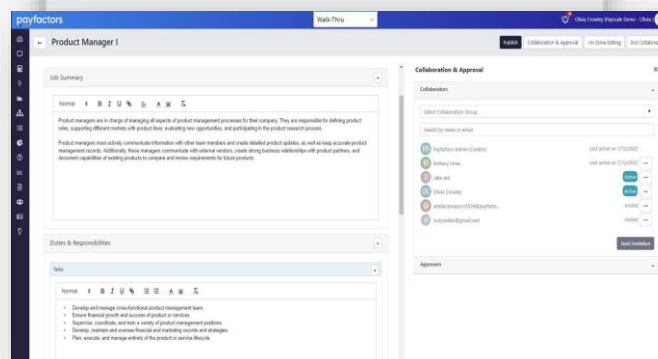
Payfactors for a central location for all data and compensation processes



## Collaboration

Job Description Manager  
for a source of truth to  
drive accurate pay  
decisions

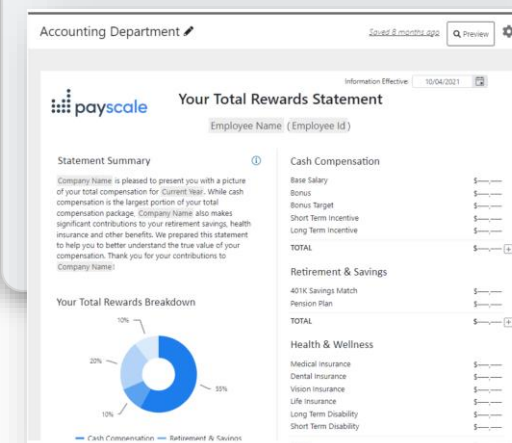
Compensation Planning  
for a merit cycle with the  
perfect blend of flexibility  
and oversight.



## Transparency

Total Rewards  
Statements clearly  
communicate pay with  
employees.

Manager training  
programs to help them  
amplify your  
compensation strategy.



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<https://compcoffee.libsyn.com/>

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## Episode 91



Kelly Campana  
**Women's leadership coach**



## Episode 92



Michelle Gyimah  
**Pay gaps strategist**

# Q&A

Feel free to ask any questions in the chat!

