WHO IS TO BLAME FOR WOMEN'S LOWER PAY?
A CONTEXTUAL APPROACH TO THE GENDER PAY GAP IN MANAGERIAL
POSITIONS

Submitted by Clara Kulich, to the University of Exeter as a thesis for the degree of Doctor

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ABSTRACT

Women are paid less than men in comparable occupations when human capital factors are controlled for. This gender pay gap is particularly prominent in upper management where on average female leaders are allocated 30 per cent less pay than male leaders. This thesis examines the underlying causes and the consequences of the gender pay gap in managerial positions by considering the organisational context (i.e., company performance) and social context (i.e., women’s experiences in the workplace) in which these differences emerge. First, three studies identify and examine gender disparities in the way in which performance-based pay is allocated as a function of company performance. Second, a survey study takes the perspective of leaders themselves by considering gender differences in pay-related attitudes and their relationship to distinct gendered experiences in the workplace.

An archival study (Study 1, $N = 192$), an experiment (Study 2, $N = 201$), and a survey (Study 3, $N = 180$) investigated the role of gender in the relationship between managerial bonuses and company performance. In studies 1 and 3 the bonuses awarded to men were larger than those allocated to women. Moreover, while the compensation of male leaders was sensitive to performance, such that they received greater bonuses the better their company performed, the bonuses awarded to female directors were not sensitive to performance across all three studies. The psychological processes related to this phenomenon were explored in Study 2. It was found that, for a male leader, increasing company performance simply led to larger performance-related bonuses. However, for a female leader, the allocation of a bonus was based on perceptions of her charisma and leadership ability rather than resulting directly from company performance.
Study 4 examines gender similarities and differences in attitudes towards pay and pay negotiations. In a sample of 180 employees with managerial responsibilities, no gender differences in attitudes about the importance of pay were found. However, while female participants felt less confident than men about asking for pay rises, this was, at least in part, explained by their negative workplace experiences, such as feeling to have to invest more time and effort in order to achieve a pay rise and fearing negative responses when making pay demands.

The importance of integrating the organisational and social context in the analysis of the gender pay gap is discussed in light of the limitations of a primarily individualistic approach. The role of the organisational context in moderating the attributional dynamics surrounding pay and evaluation patterns is explained within the framework of literature on the romance of leadership and gender stereotypes. The social context is considered in terms of the role of societal beliefs which may influence women’s decisions to opt out of top managerial jobs and their lack of confidence with pay negotiations. Finally, these findings are used to critique the tendency to blame women themselves for gender disparities in pay and their under-representation in managerial jobs, and instead I argue that it is organisational indifference towards women that perpetuates the gender pay gap.
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STATEMENT OF THE CANDIDATE’S CONTRIBUTIONS TO CO-AUTHORED PAPERS

Studies 1, 2, and 4 in this thesis, were written up as papers for publication. The content of the papers has been shortened and adjusted in order to avoid repetitions of content which has been stated elsewhere in this thesis. Further, the American English spelling was changed into British.

Study 1


The first study of this thesis, presented in Chapter 2, was submitted as a paper to the Strategic Management Journal in April 2008. The PhD candidate designed the research. In collaboration with Dr. Grzegorz Trojanowski (University of Exeter, School of Business and Economics) and Prof. Luc Renneboog (University of Tilburg, CentER) the data set from Study 1 was built, with the help of employed research students, using two economic databases which contained the information necessary for this research. Dr. Trojanowski further made major contributions in dealing with the statistical side of the analyses, by introducing the candidate to a Tobit regression analysis methodology (often used in economic research). The embedding of the study in the literature and the psychological framing of this work was conducted by the author of this thesis with supervisory support from Dr. Michelle Ryan and Prof. Alex Haslam.
Study 2


The second study, presented in Chapter 3, has been published in *Applied Psychology: An International Review Special Issue*. The author of this thesis designed the online experiment, collected the data, analysed and wrote the paper with the supervisory support from Dr. Michelle Ryan and Prof. Alex Haslam.

Study 4


The fourth study, presented in Chapter 5, has been written up as a paper and is currently in the process of revision. It will be submitted for consideration at *Psychology of Women Quarterly*. The author of this thesis designed the online experiment, collected the data, analysed and wrote the paper with the supervisory support from Dr. Michelle Ryan and Prof. Alex Haslam.
STATEMENT OF THE SUPERVISORS’ CONTRIBUTIONS TO CO-AUTHORED PAPERS

As outlined in the candidate’s statement, the substantial work in the papers presented in this thesis was conducted by the candidate. This includes the literature review, study design, statistical analysis, and interpretation. The supervisors contributed to the papers by giving advice on statistical analyses, and writing style. Also, they gave guidance on the theoretical framing of this thesis through the discussion of the contents and their arrangement in the papers as outlined above.

Dr Michelle K. Ryan (first supervisor)

Prof. S. Alex Haslam (second supervisor)

Dr. Grzegorz Trojanowski (third supervisor)