

## STUDY SHOWS THAT SOCIAL ACCOUNTS LEAD TO UNFAVORABLE PAY OUTCOMES FOR WOMEN



A new study in the journal *Organization Science* has unraveled that when managers make pay decisions for male and female employees, they are affected by the opportunity to provide social accounts and think about the value of accounts for men versus women. The study says that this leads them to pay more money to men than the money they pay to the women, even if the work performance is not different. However, it was surprising to find that the disparity in pay hikes was not there if the managers did not have to clarify why they made the pay-raise decisions. When managers could take independent decisions and did not have to explain them, the study found that managers gave equal raises to men and women. Maura Belliveau, now associate professor of management at Long Island University in New York said, the findings go beyond the normal retort that engendering equity exists because the women lacking in skills or the desire to negotiate for pay. The research reveals, she says, that women are handicapped even before the negotiations begin. "Whenever research reveals disparities between men's and women's pay, there is a common retort: The gap 'must' be due to unobserved differences in men's and women's willingness or skill in negotiating for pay. Although some gender differences in negotiation exist, this study reveals women incur a major disadvantage that precedes any negotiation," she says. This in effect means that because managers think that women will not negotiate for a bigger check, confrontation with them over the lack of it is not something they have to worry about, whilst the men get the raises, because the managers want to avoid the resultant conversation if they don't. It also means that what the women are not getting, because they are not demanding it, gives the manager surplus money, which they pass on to the men, who are most likely to complain about a low raise. The study was done for Emory University and 184 managers were given a fixed amount of cash which they would have to distribute to employees, both men and women, who had identical work responsibilities and who accomplished their tasks with similar performance proficiencies. Performance wise, both the women and the men were indistinguishable from each other. 50 percent of the managers were told, that they would have, to defend and validate their decisions to their employees, whilst the remaining half was told that they could take their decisions on their own and that there would be no questioning later. The results showed that whilst the latter, who did not have to answer for their decision paid out equally without any discrimination or unfairness the former invariably paid the men more than they paid the women. When a woman receives her salary it is already too late to negotiate, because the corporate budget has already been spent and there is no money to address her grievances. The procedure regarding raises that companies generally adopt is that they give their manager a budget that provides for raises, this the manager divides amongst his employees. The manager notifies all the employees almost at the same time of what raise they can expect and because every single penny has already been spent, the women, if their raise is small, cannot get it raised because there is no money. It's not that the manager will go to a male employee who has received a higher raise and say to him, she needs a raise; we are giving her a part of yours. The only way a raise can be possible at this point is that the manager realizes that there is worth in the woman employee's complaint and that he has made a mistake in overlooking her just demands whilst distributing the money. He can go to his manager and request for an exception to be granted and the senior management must be convinced that this additional raise, outside of the spent budget, is worth the money. But that is a very unlikely possibility, because no manager likes to admit he made a mistake and it requires for some very skilled and persistent negotiation which females are not accustomed to normally do. Women find themselves unequal to men the moment they enter the workplace, even though they continually outshine and outpace them in academic qualifications. For every dollar a man earns, a woman earns 80 cents. This is discrimination in what is or should be a merit-based society where you get what you deserve. Despite the huge advances that women have made they are still at a disadvantage in the workplace. The modern American workplace just does conform to the ideal that those women who work identical jobs as males are entitled to the same pay. Looking for Manager jobs? [Click here](#).