



Gender Pay Analysis

Technical methodology and data report.



Background.

There are many studies about the gender pay gap, which report around a 20% difference in pay between men and women. Often, these studies take a simple average salary for all men and all women, and compare the two. This does not compare like with like; or control for differences in the jobs that men and women do – differences that may affect pay.

Specifically:

- The biggest driver of pay is seniority or job level – for example, professionals vs managers vs executives.
- Another significant driver of pay is job function – for example, HR vs sales vs engineering.
- A further big influence is the company (and its industry) a job is part of.

At a high level, pay is also affected by basic factors of supply and demand (the labor market is a market like any other).

Our analysis replicates the analysis seen elsewhere (to provide a ‘headline’ pay gap); then additionally compares ‘like for like’ by looking at people:

- Working at the same job level.
- Working at the same job level, in the same company.
- Working at the same job level, in the same company, and in the same function.

Our data.

Korn Ferry runs benchmark pay databases in over 110 countries. Edward N Hay developed the first (and still most widely used) method for quantifying job size – allowing us to put a point ‘score’ onto any job. This methodology gives us a unique ability to compare ‘like for like’, looking at jobs of the same size.

There is an extremely strong correlation between job size and pay – and our databases have this correlation at their core.

Today, we collect job size and pay information for over 20 million job holders, in more than 25,000 companies across over 110 countries. We also collect information on what those job holders are doing (i.e. their job function); where they do it (their specific location within their country); and, for over 8.7 million people, their gender. Our data, whilst not census data, aims for representation across all major industry sectors and geographies in the countries we cover – although on average, we are slightly under-represented amongst small/medium enterprises.

Our analysis.

We looked at data for over 8.7 million employees where we hold job size, pay and gender information – This data covers 33 countries, a range of small and large, and mature and emerging markets, from all regions of the world.

We produced five sets of analysis for each country:

- The ‘headline’ pay gap.
- The pay gap for people working at the same job level.
- The pay gap for people working at the same job level, and in the same company.
- The pay gap for people working at the same job level, in the same company, and in the same function – the ‘like for like’ pay gap.
- By job level, the percentage of employees who are male.



'Headline' pay gap.

For each of the 33 countries we analyzed, we took a simple average salary for all men and all women. We then calculated the 'headline' pay gap as follows:

$(\text{Female average} - \text{male average}) / \text{male average}$

So where the average female salary is \$20,000 and the average male salary is \$25,000, this gives:

$(20000 - 25000) / 25000 = -0.2$ or -20%.

A negative pay gap figure means that women are paid less than men - a positive number (these are noted in green) means that men are paid less than women.

Country	Number of job holders analyzed (nearest thousand)	'Headline' pay gap
Argentina	58,000	-25.8%
Australia	223,000	-23.7%
Belgium	177,000	-21.1%
Brazil	1,390,000	-29.8%
Chile	161,000	-22.6%
Colombia	216,000	-18.7%
Czech Republic	272,000	-31.6%
Egypt	166,000	34.3%
Finland	54,000	-15.2%
France	790,000	-17.0%
Germany	239,000	-15.1%
India	57,000	-18.8%
Indonesia	239,000	-24.0%
Italy	243,000	-21.2%
Mexico	112,000	-30.7%
Netherlands	346,000	-24.7%
New Zealand	117,000	-22.8%
Nigeria	26,000	7.3%
Norway	48,000	-11.1%
Poland	309,000	-26.0%
Portugal	70,000	-18.5%
Romania	171,000	-9.3%
Russia	765,000	-25.3%
Saudi Arabia	424,000	-19.9%
South Africa	27,000	-24.9%
South Korea	27,000	-12.1%
Spain	133,000	-24.5%
Sweden	59,000	-14.2%
Switzerland	60,000	-21.7%
Turkey	685,000	-11.3%
UAE	410,000	0.7%
UK	611,000	-28.6%
Vietnam	92,000	-13.3%
Total/average	8,777,000	-17.6%

As job size is such a strong driver of pay, it is unsurprising (but important) to note that in most countries, the average job size for female employees is smaller than for male employees - that is, women on average are doing lower level jobs than men. The exceptions are the three countries where men are paid less than women - because men are doing smaller jobs on average.



Pay gap for people working at the same job level.

Using the same calculation as for the headline analysis:

$(\text{female average} - \text{male average}) / \text{male average}$

We next took an average salary for women and men, at each of 16 Hay job levels (called Hay Reference Levels), ranging from an entry clerical or production operative level, to a head of function or director in a medium to large company. This gave a pay gap for each level in each country. We then averaged the pay gap across the levels, to give a single figure per country. We took a simple (rather than weighted) average, which ignores the fact that the lower job levels have more employees – although a weighted average gives very similar results.

Country	'Headline' pay gap	'Same level' pay gap
Argentina	-25.8%	-12.3%
Australia	-23.7%	-9.8%
Belgium	-21.1%	-3.1%
Brazil	-29.8%	-15.3%
Chile	-22.6%	-17.2%
Colombia	-18.7%	-11.5%
Czech Republic	-31.6%	-6.0%
Egypt	34.3%	1.2%
Finland	-15.2%	-1.8%
France	-17.0%	-4.0%
Germany	-15.1%	-3.6%
India	-18.8%	-2.7%
Indonesia	-24.0%	-15.1%
Italy	-21.2%	-6.0%
Mexico	-30.7%	-9.4%
Netherlands	-24.7%	-6.1%
New Zealand	-22.8%	-6.0%
Nigeria	7.3%	2.7%
Norway	-11.1%	-4.6%
Poland	-26.0%	-11.0%
Portugal	-18.5%	-7.0%
Romania	-9.3%	-5.7%
Russia	-25.3%	-8.0%
Saudi Arabia	-19.9%	-0.8%
South Africa	-24.9%	-4.5%
South Korea	-12.1%	-4.0%
Spain	-24.5%	-5.8%
Sweden	-14.2%	-2.8%
Switzerland	-21.7%	-3.0%
Turkey	-11.3%	-7.1%
UAE	0.7%	-5.0%
UK	-28.6%	-9.3%
Vietnam	-13.3%	-10.4%
Average	-17.6%	-6.5%



Pay gap for people working at the same job level, and in the same company.

Using the same calculation as before:

$(\text{female average} - \text{male average}) / \text{male average}$

We next took an average salary for women and men, at each of the standard Hay job levels, and in the same companies – so comparing men and women in Company A, Level 1; Company A, Level 2, and so on.

Again we did this for the same 16 job levels. This gave a pay gap for each level, in each company, in each country – where we found at least one man and at least one woman to compare. We then found an average pay gap (across all companies) for each level in each country, and finally averaged the pay gap across all levels, to give a single figure per country. We took a simple (rather than weighted) average, which ignores the fact that the lower job levels have more employees – although a weighted average gives very similar results.

Country	'Headline' pay gap	'Same level' pay gap	'Same level, same company' pay gap
Argentina	-25.8%	-12.3%	-3.5%
Australia	-23.7%	-9.8%	-3.7%
Belgium	-21.1%	-3.1%	-1.8%
Brazil	-29.8%	-15.3%	-5.0%
Chile	-22.6%	-17.2%	-5.4%
Colombia	-18.7%	-11.5%	-2.2%
Czech Republic	-31.6%	-6.0%	-2.4%
Egypt	34.3%	1.2%	0.4%
Finland	-15.2%	-1.8%	-1.8%
France	-17.0%	-4.0%	-3.1%
Germany	-15.1%	-3.6%	-3.1%
India	-18.8%	-2.7%	-4.9%
Indonesia	-24.0%	-15.1%	1.5%
Italy	-21.2%	-6.0%	-4.2%
Mexico	-30.7%	-9.4%	-5.4%
Netherlands	-24.7%	-6.1%	-1.4%
New Zealand	-22.8%	-6.0%	-2.1%
Nigeria	7.3%	2.7%	0.9%
Norway	-11.1%	-4.6%	-3.6%
Poland	-26.0%	-11.0%	-3.5%
Portugal	-18.5%	-7.0%	-3.9%
Romania	-9.3%	-5.7%	-0.6%
Russia	-25.3%	-8.0%	-1.4%
Saudi Arabia	-19.9%	-0.8%	1.8%
South Africa	-24.9%	-4.5%	-2.5%
South Korea	-12.1%	-4.0%	-2.2%
Spain	-24.5%	-5.8%	-5.1%
Sweden	-14.2%	-2.8%	-1.5%
Switzerland	-21.7%	-3.0%	-2.0%
Turkey	-11.3%	-7.1%	-2.0%
UAE	0.7%	-5.0%	2.0%
UK	-28.6%	-9.3%	-2.6%
Vietnam	-13.3%	-10.4%	1.6%
Average	-17.6%	-6.5%	-2.2%



Pay gap for people working at the same job level, and in the same company and in the same function (the 'like for like' pay gap).

Using the same calculation as before:

$(\text{female average} - \text{male average}) / \text{male average}$

We next took an average salary for women and men, at each of the standard Hay Group job levels, in the same companies, and in the same function – so comparing men and women in Company A, Level 1, Function A; Company A, Level 1, Function B; Company A, Level 2, Function A, and so on.

Again we did this for the same 16 job levels. This gave a pay gap for each level, in each company, in each function, in each country – where we found at least one man and at least one woman to compare. We then found an average pay gap (across all companies and functions) for each level in each country, and finally averaged the pay gap across all levels, to give a single figure per country. We took a simple (rather than weighted) average, which ignores the fact that the lower job levels have more employees – although a weighted average gives very similar results.

Country	'Headline' pay gap	'Same level' pay gap	'Same level, same company' pay gap	'Same level, same company, same function' pay gap
Argentina	-25.8%	-12.3%	-3.5%	-3.0%
Australia	-23.7%	-9.8%	-3.7%	-1.4%
Belgium	-21.1%	-3.1%	-1.8%	-1.4%
Brazil	-29.8%	-15.3%	-5.0%	-1.6%
Chile	-22.6%	-17.2%	-5.4%	-3.8%
Colombia	-18.7%	-11.5%	-2.2%	-1.4%
Czech Republic	-31.6%	-6.0%	-2.4%	-3.8%
Egypt	34.3%	1.2%	0.4%	0.1%
Finland	-15.2%	-1.8%	-1.8%	-1.3%
France	-17.0%	-4.0%	-3.1%	-2.7%
Germany	-15.1%	-3.6%	-3.1%	-3.0%
India	-18.8%	-2.7%	-4.9%	-3.5%
Indonesia	-24.0%	-15.1%	1.5%	3.0%
Italy	-21.2%	-6.0%	-4.2%	-3.6%
Mexico	-30.7%	-9.4%	-5.4%	-2.9%
Netherlands	-24.7%	-6.1%	-1.4%	-1.0%
New Zealand	-22.8%	-6.0%	-2.1%	-0.9%
Nigeria	7.3%	2.7%	0.9%	0.4%
Norway	-11.1%	-4.6%	-3.6%	-2.2%
Poland	-26.0%	-11.0%	-3.5%	-2.5%
Portugal	-18.5%	-7.0%	-3.9%	-2.7%
Romania	-9.3%	-5.7%	-0.6%	-1.9%
Russia	-25.3%	-8.0%	-1.4%	-0.1%
Saudi Arabia	-19.9%	-0.8%	1.8%	0.0%
South Africa	-24.9%	-4.5%	-2.5%	-3.3%
South Korea	-12.1%	-4.0%	-2.2%	-2.0%
Spain	-24.5%	-5.8%	-5.1%	-5.0%
Sweden	-14.2%	-2.8%	-1.5%	-0.7%
Switzerland	-21.7%	-3.0%	-2.0%	-2.2%
Turkey	-11.3%	-7.1%	-2.0%	-0.7%
UAE	0.7%	-5.0%	2.0%	2.1%
UK	-28.6%	-9.3%	-2.6%	-0.8%
Vietnam	-13.3%	-10.4%	1.6%	1.4%
Average	-17.6%	-6.5%	-2.2%	-1.6%



By job level, the percentage of employees who are male.

It is clear that as we get closer to a 'like for like' comparison, the pay gap gets smaller. This means that a significant driver of the large 'headline' gap, is that men and women are not distributed evenly across the labor force. Specifically at senior job levels, there are far more men than women.

We analyzed, at each of four broad job levels, the percentage of employees in our database who are male.

Country	Clerical level - % of male employees	Professional level - % of male employees	Management level - % of male employees	Executive level - % of male employees
Argentina	72.1%	68.8%	80.1%	90.0%
Australia	43.0%	56.7%	70.5%	79.1%
Belgium	42.5%	52.5%	70.6%	81.0%
Brazil	61.5%	64.0%	69.7%	82.0%
Chile	70.3%	61.5%	74.0%	89.0%
Colombia	59.5%	54.0%	62.3%	77.6%
Czech Republic	43.8%	54.6%	76.1%	87.8%
Egypt	90.3%	79.8%	82.2%	84.2%
Finland	50.7%	51.5%	70.8%	76.0%
France	55.2%	57.6%	69.8%	79.6%
Germany	63.6%	66.3%	78.2%	88.5%
India	89.5%	82.2%	90.4%	95.5%
Indonesia	80.3%	76.5%	79.7%	85.4%
Italy	55.8%	49.2%	71.7%	86.0%
Mexico	60.8%	67.8%	77.6%	90.2%
Netherlands	42.1%	58.6%	75.9%	84.8%
New Zealand	39.2%	43.2%	61.4%	72.3%
Nigeria	93.1%	81.6%	78.8%	84.7%
Norway	73.0%	63.3%	72.2%	79.7%
Poland	39.3%	37.6%	57.4%	84.8%
Portugal	53.9%	57.3%	68.7%	81.7%
Romania	63.0%	51.8%	58.7%	70.9%
Russia	44.9%	46.1%	60.0%	71.0%
Saudi Arabia	94.9%	94.8%	97.9%	99.3%
South Africa	50.8%	58.7%	69.8%	81.9%
South Korea	72.9%	73.9%	84.0%	83.9%
Spain	51.2%	57.7%	74.1%	85.8%
Sweden	52.9%	63.4%	72.4%	72.4%
Switzerland	41.8%	60.2%	74.3%	84.6%
Turkey	67.1%	60.1%	72.0%	82.1%
UAE	79.7%	65.3%	79.0%	89.7%
UK	43.0%	55.2%	66.7%	78.0%
Vietnam	56.7%	45.4%	58.9%	68.8%
Average	60.5%	61.1%	72.9%	82.7%



About Korn Ferry

Korn Ferry is a global organizational consulting firm. We help clients synchronize strategy and talent to drive superior performance. We work with organizations to design their structures, roles, and responsibilities. We help them hire the right people to bring their strategy to life. And we advise them on how to reward, develop, and motivate their people.