

Gender Pay Equality

Where employers are coming up short

Most employers consider themselves fairly enlightened when it comes to compensating men and women fairly. So why is eliminating the gender pay gap so problematic?

Recent research from the ADP Research Institute® (ADP RI) examined newly hired employees over a six-year period — all similar in age and salary, which suggests similar education and experience — to spot where compensation disparity starts, and how the gap continues to widen.



MEN



Base pay at hiring

18% gap

WOMEN

\$75,162

DIFFERENCE
\$13,640

\$61,522



Average annual total earnings

19% gap

\$98,598

DIFFERENCE
\$18,513

\$80,085



Average annual bonus

31% gap

\$11,843

DIFFERENCE
\$3,656

\$8,187



When an employee is hired at a lower salary, it seems an insurmountable obstacle to catch up, even over the course of an entire professional career.

Shifting the equation for true pay parity

While there are many reasons behind pay disparity, there are actions employers can take to address variations in base pay, incentives and total compensation — and to combat the ethical, legal and reputational ramifications that can accompany inconsistent pay practices.

[Full research findings here](#)