



**A PRELIMINARY INVESTIGATION INTO
THE GENDER PAY GAP
FOR MANAGEMENT POSITIONS
in
VOLUNTARY, COMMUNITY & CHARITABLE
ORGANISATIONS, 2015**

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Executive Summary

- The gender pay gap is a measure of the difference between male and female earnings, expressed as a percentage of male earnings.
- In general, the gender pay gap has been found to be highest for the following groups:
 - management grades,
 - the private as opposed to the public sector,
 - women who work part-time, and
 - older women.
- The gender pay gap in Ireland was 14.4% in 2012, the latest year for which data is available. The gap shows an uneven trend across the previous decade with a high of 17.3% in 2007, a low of 11.7% in 2011 and back up to 14.4% in 2012.
- There is no official up-to-date data available on the gender pay gap in the *Voluntary Community, and Charities* sector in Ireland. Unpublished data from the CSO provides a figure of 20.6% in the related sector *Human Health & Social Work Activities* sector, for 2012.
- The average gender pay gap for all four management grades combined in the Community Foundation for Ireland survey (2015) was found to be 10.4%. The gender pay gap was highest for the top level of management i.e. for chief executives, at 15.5%. The gender pay gap was lower for the other three grades of management as follows: 8.5% for heads of function/directors; 4% for senior managers; and 5.9% for middle managers.
- In terms of the top 10% of chief executive earners, the survey found that 81% were male. The gender pay gap between the top 10% of male and female chief executives was at its highest at 25%. With regard to the bottom 10% of earners, 81% were female for this level of management. The gender pay between the lowest 10% of male and female chief executives was 22.4%.
- Somewhat surprisingly, the gender pay gap is higher in organisations where females comprise 50% or more of the members on boards of management. It was also found that when there were 50% or more females on boards, rates of pay were lower for *both* males and females, than when females were in a minority on boards.
- In setting pay rates, organisations in the survey take a range of factors into consideration. A significant proportion of organisations take *ability to pay* into account, but at least half of the organisations in the survey did not highlight this as a consideration. Both large and small organisations

negotiate with individuals to set their pay rates but small organisations are least likely to *pay the market rate*.

- It is plausible to assume that management rates of pay are negotiated individually with managers, particularly at chief executive level. This might account for the gender pay gap being highest at this management level. Traditionally, females are said to rate their skills lower than those of their male counterparts and often feel less confident about their salary negotiation ability than men. Women are also said to be uneasy around asserting their own monetary value compared to men.
- Commentators often point to the less than full-time nature of some women's work as being a contributory factor to the gender pay gap, as part-time workers tend to earn less than their full-time counterparts and more women than men work part-time. However, the survey found that male and female chief executives are similarly likely to work full-time hours.
- The McGuinness et al (2009) national study found that 'differences in the labour market experience levels of males and females' was by far the single most important single influence in explaining the wage gap'. Women moving in and out of the labour market (to take up caring or family responsibilities) contributed significantly to women's lower earnings in their study. However, the data in their study is now 12 years old and many women have moved into more continuous employment since then.

Conclusion

- This report cannot evaluate the impact of certain factors on pay such as qualifications, age, experience, length of service, etc., because this information was not collected in the survey. It is not possible to know therefore, the extent to which the gender pay gap found, particularly for chief executives, reflects discrimination, under-valuing of women's work, women's discomfort around salary negotiations, or some other reasons. Having females in the majority on boards does not appear to have helped reduce the gender pay gap. Whatever the reasons for the pay gap, given the importance of equality and having an equitable work environment is to employees in Voluntary, Community and Charity organisations, the pay gap needs to be addressed. If women believe they are being paid less than men for the same work, this could have serious negative consequences for the sector, such as lower morale, reduced commitment and engagement, and higher turnover. This creates a strong incentive for managers in this sector to review the design of pay systems and ensure that they are equitable.

Introduction

The gender pay gap is a measure of the difference between male and female earnings, expressed as a percentage of male earnings. Generally speaking, it is the 'unadjusted' or 'raw' gender pay gap for a country or a region that is reported in studies. This means that the difference between male and female earnings is calculated across all job types, all levels and grades, and all sectors. As a measurement it has its limitations. Different studies have come up with different gender pay gaps, depending on the dataset used. The 'unadjusted' gender pay gap figure does not take into account a range of factors that impact earnings such as education, occupation, sector, age, experience, career interruptions, etc. However, according to the European Commission (2013) these factors only contribute to half of the explanation of the gender pay gap, a gap which has persisted for many decades now.

There are different ways of measuring 'earnings' in the calculation of the gender pay gap, which can also give rise to different gender pay gap figures. For example, some methods use only full-time annual earnings in the calculation (the inclusion of part-time earnings tends to increase the gender pay gap as part-timers are often not as well paid as full-time staff and many more females work part-time than males); others examine hourly or weekly earnings of both males and females; and others still compare median earnings as opposed to average earnings (thereby addressing any outlier figures that might affect the average). What constitutes earnings can vary with some calculations including only basic pay, while others include all earnings, e.g. bonuses, overtime payments, etc.

Causes of the gender pay gap

The European Commission (2013) outlined what they considered to be the main causes of the gender pay gap, describing it a complex issue caused by a range of interrelated issues, which included:

- Discrimination in the workplace (either *direct* where women are treated less favourably than men, or *indirect*, where policies or practices unintentionally result in unequal treatment of men and women);

- Occupational segregation (either horizontal or vertical)¹ - women and men have different jobs (e.g. the predominance of females in administrative/secretarial roles and males in skilled trades) and work in different sectors of the economy (e.g. the predominance in Ireland of females in education, human health and social work activities, as compared to males in transportation & storage, professional, scientific and technical activities) (CSO, 2015a – Tables 2 and 4);
- The presence of the ‘glass-ceiling’ which prevents women from reaching the highest paid positions. According to the CSO (2015a) women in Ireland currently make up only 34% of all managers, directors and senior officials;
- Undervaluing of women’s work and skills – resulting in lower rates of pay in occupations where women are in the majority;
- Woman’s under-representation in politics and in the economy and at the top levels in organisations (women in publically listed companies comprise <5% of all CEOs in OECD countries and 2.8% of CEOs in the EU (ILO, 2015));
- Women in senior positions in typically ‘feminine’ careers or in careers where females are in the majority are paid ‘substantially’ less than women working at the top in typically ‘masculine’ careers (for example, average annual salaries for chief executives in the private sector, were more than twice those in the Voluntary Community and Charities sector (Community Foundation of Ireland, 2015: p94));
- Many women have to work in jobs that are compatible with their child-rearing responsibilities and so tend to work less hours than men. The gender pay gap widens when women have children and when they work part-time.

As mentioned above, segregation (industrial or occupational) is often cited as one of the main reasons for the gender pay gap, i.e. that males and females are concentrated in different sectors (or industries) in the economy and in different occupations, with males working in higher paid sectors and occupations than women. In the EU, in the *Health and social services* sector, women make up 78% of all workers (European Commission, 2014). In Ireland, the figure is similar with females currently representing 81% of all workers in the *Human health & social work activities* sector (the largest single sector of female workers, employing 23% of all female workers in 2015) (CSO, 2015a).

¹ Two types of occupational segregation exist, according to research in this area. Firstly, women tend to be clustered in feminised sectors of the economy such as nursing and teaching. The concentration of women in these sectors is referred to as horizontal segregation. Secondly, the research states that even within organisations there is a divide whereby men are employed in higher grade occupations than women. This is known as vertical segregation

Unequal education attainment levels were thought to have contributed to the gender pay gap in the past. However, the increased levels of female participation in higher education are thought to have reduced the difference between males and female earnings. Females comprised 55.4% of all third-level students in Ireland in 2014 (CSO, 2015d).

Another explanation for the gender pay gap focuses on the high concentration of females working part-time (generally because women have combined paid work with unpaid family or 'caring' responsibilities). The gender pay gap is higher when part-time workers are included, because part-time workers tend to earn less on average per hour than their full-time counterparts and more women than men work part-time (females constituted two-thirds (69%) of all part-time workers in Ireland in 2015 (CSO, 2015a)). However, two-thirds of Irish women currently work full-time.

Sectors where women are in the majority generally have attracted lower pay than those dominated by men, as traditionally, 'women's work' is not paid as well as 'men's' work.² Lower pay in the Voluntary, Community and Charities sector has a legacy element. Historically, the existence of large numbers of unpaid female volunteers providing voluntary services in such areas as health, social services and education, depressed pay in those positions when non-profits began to hire employees to fill them (McCarthy, 1994). When these services became more professionalised, the jobs often remained low paying.

Employees working in the non-profit sector are expected to accept less pay, in part because of the intrinsic or altruistic rewards of their jobs. Employees self-select to work in this sector, motivated more by the organisation's mission than by financial rewards. Because funding for many organisations is uncertain and short-term based, many non-profits rely on such things as having an equitable work environment, the provision of work-life balance options and team work, to motivate high-quality work and high commitment (Faulk et al, 2012).

It would be reasonable therefore, to expect to find lower pay rates overall in this sector compared to the private sector, but at the same time, for non-profit organisations to pay men and women more equitably than in the for-profit sector, and that the gender pay gap would be miniscule, if it existed at all. According to the data found in the Community Foundation of Ireland Survey on Pay and Conditions of Employment in Voluntary, Community and Charitable organisations, 2015 (hereafter referred to as the Community Foundation of Ireland Survey, 2015), this does not appear to be the case.

² The Community Foundation of Ireland Survey, 2015, found management rates of pay to be significantly lower than those in the private sector.

Background

This report was prepared by Anne Coughlan, HR Research Specialist. The data analysed in the report on the gender pay gap for management grades is taken from the 2015 Survey on Pay and Conditions of Employment in Community, Voluntary and Charitable organisations, commissioned by the Community Foundation of Ireland and conducted in association with The Wheel, Dóchas, and Fundraising Ireland.

A total of 261 organisations participated in the survey, cumulatively employing 8,281 employees (both full and part-time) in paid roles. There were also approximately 67,500 volunteers working with the organisations surveyed. Seven out of ten (70%) employees in the survey were female. Two-thirds (66%) of full-time employees were female, as were more than three-quarters (76%) of part-time workers. Data on pay (which included the full-time equivalent rate for any part-time employees), gender and hours of work were collected for the following levels of management:

Level 1: Chief Executive- *has overall responsibility for the organisation and for the implementation of the organisation's operational strategy. Reports to the board or management committee.*

Level 2: Function Head/Director – *has overall responsibility for a functional or regional area or for a particular activity. Area of activity has an organisational wide impact. Often has overall responsibility for policy development.*

Level 3: Senior Manager – *manages a department/specialist function and is a highly experienced manager.*

Level 4: Middle Manager – *manages small department/specialist function. Has an excellent knowledge of own area and how the area interacts with other areas of the organisation's work. Reports to Head of Function or Chief Executive in a smaller organisation.*

Data on pay and conditions of employment were collected for a range of other grades (e.g. professional, technical, admin staff, etc.), but information on gender, was not collected³. This report, therefore, analyses data for management grades only.

³ The reason for this was because it was likely that organisations could have more than one employee at non-management level. These positions could have been filled by either, or both, males and females.

The overall aim of this report is to assess the nature of the gender pay gap for managers, in particular for chief executives, in Voluntary, Community and Charity organisations in Ireland, in 2015, based on the data available.

Section one of this report outlines the official figures on the gender pay gap, in the EU, the UK, US, Australia and Ireland. Where the data is available, gender the pay gap for management grades is also shown.

Section two of the report explores the findings of the Community Foundation of Ireland Survey 2015, with regard to the gender pay gap for management grades and in particular for the chief executive grade. Relationships between the gender pay gap and organisational size, sector and income are explored, in addition to the gender composition of boards in these organisations, pay policy, part-time working and union membership.

Section three of the report discusses the findings.

The Voluntary, Community and Charities Sector

The Voluntary, Community and Charities sector is not an homogenous sector. The group distinguishes itself however, from both the private and public sector in regards to its non-profit status. Neither are employees in this sector (even though many of their organisation activities are largely funded by government) employed by the state.

According to a study which mapped the non-profit sector in Ireland (Donoghue et al, 2006), organisations in the non-profit sector are engaged in a wide range of activities, with many engaging in more than one activity. The most common at the time of the study included 'education, sports, recreation, economic, social and community development, cultural, artistic, environmental and social services. Using the International Classification of Non-profit Organisations, the study found that the five most important sub-sectors were development and housing, education and research, sports and recreation, social services and arts, culture and heritage.

For a breakdown of the profile of respondents to the Community Foundation of Ireland Survey 2015, please see Appendix 1.

Section 1: Features of the Gender Pay Gap

The gender pay gap has been found to be highest for the following groups:

- senior positions in organisations;
- those working in the private as opposed to the public sector;
- women who work part-time; and
- older women 'While the gender pay gap is small for women under 35 years (around 5%) it ranges from between 14% and 21% for those aged over 35yrs; a phenomenon that reflects the cost of motherhood and the sustained presence of glass ceilings and career impediments.' (EUROSTAT, 2015).

1.1: The Gender Pay Gap in the EU

Table 1 outlines gender pay gap information for all EU countries for the latest available data. In the EU, the gender pay gap is referred to officially as the 'unadjusted gender pay gap', because it does not take into account factors such as differences in education, labour market experience, hours worked, type of job, etc., all of which can affect the gap. According to the European Commission (2013) these factors generally explain only half of the gender pay gap, the rest, as yet is unexplained. From table 1, it can be seen that the gender pay gap for Ireland is 14.4%, and 16.3% for the EU, on average.

The data on the gender pay gap is based on the Structure of Earnings Survey (SES) methodology which is carried out every four years by Eurostat.

1.2: The UK Gender Pay Gap

In July 2015, the UK Prime Minister announced his ambition to eliminate the gender pay gap (19.7 in 2013) within a generation. Compulsory publishing of any gender pay gaps will be required by employers with 250 or more employees, in the private and voluntary sector. This is due to come into effect in 2016.

Table 1 shows that the gender pay gap in the UK was 19.7% in 2013. According to the UK Office for National Statistics (ONS, 2015) there has been little change for 2014, with the gender pay gap (of full and part-time workers) of 19.2%. The pay gap is higher than it would be if only full-time employees were included in the measurement (the gender pay gap for full-time

Table 1: Gender pay gap (in unadjusted form⁴) in the EU

:=not available; p=provisional; d=definition differs; e=estimated

geo\time	2002	2006	2007	2008	2009	2010	2011	2012	2013
EU (28 countries)	:	:	:	:	:	16.1	16.4 (p)	16.5 (p)	16.3 (p)
EU (27 countries)	:	17.7	:	17.3	17.2 (p)	16.2	16.5 (p)	16.6(p)	16.4 (p)
Euro area (19 countries)	:	:	:	:	:	16.4	16.6 (p)	16.9 (p)	16.5 (p)
Euro area (18 countries)	:	:	:	:	:	16.4	16.6 (p)	17 (p)	16.6 (p)
Euro area (17 countries)	:	:	:	16.8	16.9 (p)	16.4	16.7 (p)	17 (p)	16.6 (p)
Belgium	:	9.5	10.1	10.2	10.1	10.2	10.2	10	9.8
Bulgaria	18.9	12.4	12.1	12.3	13.3	13	13	14.7	13.5
Czech Republic	22.1	23.4	23.6	26.2	25.9	21.6	22.6	22.2	22.1
Denmark	:	17.6	17.7	17.1	16.8	15.9	16.3	16.8	16.4
Germany	:	22.7	22.8	22.8	22.6	22.3	22.2 (p)	22.4 (p)	21.6 (p)
Estonia	:	29.8	30.9	27.6	26.6	27.7	27.3	30	29.9
Ireland	15.1	17.2	17.3	12.6	12.6	13.9	11.7 (p)	14.4 (p)	:
Greece	25.5	20.7	21.5	22 (d)	:	15	:	:	:
Spain	20.2	17.9	18.1	16.1	16.7	16.2	17.9	19.3	19.3 (p)
France	:	15.4	17.3	16.9	15.2	15.6	15.6	15.4	15.1
Croatia	:	:	:	:	:	5.7	3.4	2.9	7.4 (p)
Italy	:	4.4	5.1	4.9	5.5	5.3	5.8	6.7	7.3
Cyprus	22.5	21.8	22	19.5	17.8	16.8	16.4	16.2	15.8
Latvia	:	15.1	13.6	11.8	13.1	15.5	13.6	13.8	14.4
Lithuania	13.2	17.1	22.6	21.6	15.3	14.6	11.9	12.6	13.3
Luxembourg	:	10.7	10.2	9.7	9.2	8.7	8.7 (p)	8.6 (p)	8.6 (p)
Hungary	19.1	14.4	16.3	17.5	17.1	17.6	18	20.1	18.4
Malta	:	5.2	7.8	9.2	7.7	7.2	6.2	6.5	5.1
Netherlands	18.7	23.6	19.3	18.9	18.5	17.8	17.9	16.9	16
Austria	:	25.5	25.5	25.1	24.3	24	23.7	23.4	23
Poland	7.5	7.5	14.9	11.4	8	4.5	5.5	6.4	6.4 (p)
Portugal	:	8.4	8.5	9.2	10	12.8	12.8	14.8	13
Romania	16	7.8	12.5(d)	8.5 (d)	7.4 (d)	8.8	11 €	9.7 €	9.1 (e)
Slovenia	6.1	8	5	4.1	-0.9	0.9	2.3	2.5	3.2
Slovakia	27.7	25.8	23.6	20.9	21.9	19.6	20.5	21.5	19.8
Finland	:	21.3	20.2	20.5	20.8	20.3	19.6	19.4	18.7 (p)
Sweden	:	16.5	17.8	16.9	15.7	15.4	15.8	15.9	15.2
United Kingdom	27.3	24.3	20.8	21.4	20.6	19.5	20.1	19.1	19.7
Iceland	:	:	24	20.7	18	17.7	18.3	18.7	20.5
Norway	:	16	15.6	17	16.5	16.1	15.9	15.1	16
Switzerland	:	18.6	:	18.4 (d)	18.4 (d)	17.8	17.9	19.2	19.3
Turkey	:	-2.2	:	:	:	:	:	:	:

Source: EUROSTAT (2014)⁵

³The unadjusted Gender Pay Gap (GPG) represents the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees. The population consists of all paid employees in enterprises with 10 employees or more.

⁵ Available at <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&pcode=tesem180&language=en>

employees is 9.4%). This is because part-time workers earn less, on average per hour than their full-time counterparts and a higher proportion of females work part-time in the UK (41%) compared to 11% of males. For the top 10% of earners, the ONS report shows that the pay gap for full-time employees has remained largely consistent over time, fluctuating around 20%.

According to a 2015 report by the UK Chartered Management Institute (CMI) (in conjunction with XpertHR) of 70,000 UK managers, the gender pay gap is highest at management levels. Women managers who work full-time are paid 22% less than men. The report also states that when it comes to bonuses, male managers get almost twice as much as their female colleagues. They also found that the older women get, the greater the pay gap.

1.3: The US Gender Pay Gap

The gender wage gap for full-time/year-round workers is 21.4 percent in the US (IWPR, 2015). The Institute for Women's Policy Research (IWPR) studies show that, irrespective of the level of qualification, jobs predominantly done by women pay less on average than jobs predominantly done by men. They believe that persistent occupational segregation is a primary contributor to the lack of significant progress in closing the wage gap.

Other research in the US (Mandel and Semyonov, 2014), points to working hours as being the most dominant factor accounting for the gender pay gap, followed by occupational segregation. Women's labour supply is growing faster than men's. However, because of the domestic division of labour in the home, women cannot currently meet the requirement for demanding working hours. Until this changes, Mandel and Semyonov believe that women will not be equal in terms of their labour supply 'consequently, working hours will continue to be a major determinant of women's pay disadvantage' (p1614). This is however, predominantly in the private sector.

1.4: Australia and the Gender Pay Gap

The gender pay gap for Australia is currently 17.9% and has hovered between 15% and 19% for the past two decades (Workplace Gender Equality Agency, 2015). The gender pay gap is based on the difference between women and men's average full-time equivalent earnings, expressed as a percentage of men's earnings. The *Health Care and Social Assistance* sector has the

second highest gender pay gap at 27.7% in 2015 (the *Financial and Insurance Services* industry currently has the highest gender pay gap at 30.5%). Occupationally, *Community and Personal Services* full-time workers had the 2nd highest gender pay gap at 27.4% for 2014.

As is the case with many countries, the gender pay gap in the public sector at 12.2%, is considerably smaller than in the private sector at 21.3%.

1.5: Ireland and the Gender Pay Gap

The official gender pay gap for Ireland was 14.4% in 2012 (the latest year for which data is available). The gap shows an uneven trend over the previous decade, ranging from 15.1% in 2002, to a high of 17.3% in 2007, a low of 11.7% in 2011 and back up to 14.4% in 2012 (see Table 1).

There is no official up-to-date data available on the gender pay gap in the *Voluntary, Community and Charities* sector in Ireland. Unpublished data from the CSO provides a figure of 20.6% in the related sector *Human Health & Social Work Activities* sector, for 2012.

In an extensive study conducted by ESRI and the Equality Authority, based on the analysis of the National Employment Survey data of 2003, two thirds of the then gender pay gap of 21.7% was attributed to 'variations in observable characteristics between males and females, such as different levels of education and labour market experience, family responsibilities and job and firm characteristics. When account is taken of these factors the remaining 'adjusted' wage gap was just under 8 per cent' (McGuinness et al, 2009: ix).

Differences in the labour market experience levels of males and females was found to be the single most important influence in explaining the wage gap (a result commonly found in the international literature), according to the McGuinness et al study. Because females take time out from the labour market for family-related reasons, they can end up with lower levels of job 'experience'. The authors found that higher levels of female educational attainment has helped to reduce the gap, but not to the extent of removing the effects of less labour market experience. Other factors which were also found to contribute to the gap in their study included - the higher incidence of part-time work, lower employment tenure and lower levels of trade union membership among females. This study also estimated that 5 percentage points of the gap might be attributable to the effects of discrimination.

2: The Gender Pay Gap for Management Grades in Voluntary, Community and Charitable Organisations.

The data used in this analysis is taken from the 2015 *Community Foundation of Ireland Pay Survey*, which collected data on pay and conditions of employment for employees working in Voluntary, Community and Charitable organisations in Ireland.

The analysis in this section focuses on the gender pay gap for management grades only, and in particular for chief executives. Pay rates by gender for the four levels of management⁶ collected in the 2015 *Community Foundation of Ireland Survey* were as follows: Level 1 – Chief Executives; Level 2 - Heads of Function/Director; Level 3 - Senior Managers; and Level 4 - Middle Managers. Survey respondents were asked to provide data on the full-time equivalent rate of pay of each position, for which pay data was provided.

The average gender pay gap for all four management grades combined was found to be 10.4%. In keeping with other international research (CMI and XpertHR, 2015; Vecchio et al, 2013), the gender pay gap was highest for the top level of management i.e. for chief executives, at 15.5% (see Table 2). The gender pay gap was lower for the other three grades of management as follows: 8.5% for Level 2 positions; 4% for Level 3 positions; and 5.9% for Level 4 positions.

Table 2: The gender pay gap by management level

Management Level	Annual Rate of Pay				Gender Pay Gap
	Males		Females		
	No of Cases	Average €	No of Cases	Average €	
Level 1: Chief Executive	77	78,796	78	64,029	15.5%
Level 2: Head of Function/Director	88	63,995	140	58,562	8.5%
Level 3: Senior Manager	38	54,211	97	52,061	4.0%
Level 4: Middle Manager	47	45,121	123	42,475	5.9%

There were similar numbers of male (77) and female chief executives (78) in the survey sample. However, there was a significantly higher proportion of females working in the other three grades of management. For Level 2 jobs, six out of ten were filled by females, and for Levels 3 and 4, more than seven

⁶ Details on gender were not collected for the other grades of employee in the survey.

out of ten jobs were filled by females. The gender pay gap, therefore, appears to be highest in the management grade with equal numbers of males and females and lowest for level 3 and 4 managers, where the proportion of females is highest.

2.1: The Gender Pay Gap for Chief Executive Grades

As stated already, one of the main explanations for at least part of the gender pay gap is industry and occupational segregation. One would expect therefore, to find a relatively small gender pay gap, if any, for workers operating at the same level and in the same sector, i.e. chief executives in Voluntary, Community and Charitable organisations.

Table 3 provides details of the gender pay gap for chief executives in the survey, by size, sector and organisational income. These employees are likely to be doing comparable work and have comparable responsibilities i.e. operate at the same level in their organisation hierarchy, albeit with the scale of those responsibilities varying to some degree, depending on size, sector and income. The survey defined the role of Chief Executive as the *Head of the Organisation* i.e. the person with *overall responsibility for the organisation and for the implementation of the organisation's operational strategy and who reports to the board or management committee*. Only those cases where the title Chief Executive was used are included in the table.

The table shows that, on average, female rates of pay are 15.5% lower than their male counterparts (close to the EU average, for the latest available data of 16.3%, and higher than the 14.4% gender pay gap in Ireland in 2012).

When examining comparisons between male and female chief executive pay rates it is important to be cautious about making claims, as in some instances there are only a small numbers of cases, and the differences found therefore, may be due to chance. The table presents a mixed picture, but bearing the above in mind and with some exceptions, there is more consistency than not with regard to there being a sizeable pay gap across the various categories. It also appears to be particularly pronounced in the *Social Services* sector.

Table 3: The gender pay gap for chief executive grades (155 cases)⁷ - by organisational size, sector and income

Level 1: Chief Executive (CE)	Annual Rate of Pay €				Gender Pay Gap ⁸
	Males		Females		
	No. of Cases	Average €	No. of Cases	Average €	
(1) Size of Organisation					
1 - 2 employees	6	46,539	9	38,243	18%
3 – 5 employees	16	57,327	17	55,032	4%
6 – 9 employees	11	60,608	10	56,061	8%
10 – 19 employees	10	75,012	18	67,825	10%
20 or more employees	34	94,794	24	80,546	15%
(2) Sector					
Arts, Culture and Heritage	5	61,001	4	53,125	13%
Advocacy, Law and Politics	5	72,644	7	59,459	18%
Development and Housing	7	83,388	4	71,303	14%
International Development	14	78,421	7	76,668	2%
Education	3	-	6	-	-
Health	14	79,208	16	77,153	3%
Social Services	17	77,060	24	54,962	29%
Sports & Recreation	3	-	4	-	-
(3) Income					
Less than €100, 000	4	44,623	9	35,632	20%
€100,001 - €250,000	17	53,326	13	47,179	12%
€250,001 - €500,000	8	57,242	12	58,301	-2%
€500,001 - €1,000,000	4	74,710	13	64,477	14%
€1,000,001 - €5,000,000	23	84,237	21	77,921	7%
More than €5,000,000	17	103,417	8	92,901	10%
All Organisations	77	75,796	78	64,029	15.5%

⁷ While there were 209 level 1 positions in the survey, there were 158 pay rates provided for the title Chief Executive. It was decided to focus this comparison on this position only (for level 1 positions) as it is a very specific and clearly identifiable role. Some 3 organisations did not provide details of gender for this position. Please also note that not all organisations provided details on size, sector or income.

⁸ Differences are only shown where there have been 4 or more cases of pay rates for both males and females.

2.2: The top and bottom 10% of earners

Table 4 shows the top and bottom 10% of earners by gender for all management levels. In terms of the top 10% of chief executive earners, the survey found that 81% were male. The gender pay gap between the top 10% of male and female chief executives was at its highest at 25%. With regard to the bottom 10% of earners, 81% were female for this level of management. The gender pay between the lowest 10% of male and female chief executives was 22.4%.

Table 4: The top and bottom 10% of earners by gender & management level

Management Level	No of Cases	Top 10% of Earners		Bottom 10% of Earners	
		Males	Females	Males	Females
Level 1: Chief Executive	155	81%	19%	19%	81%
Level 2: Head of Function/Director	223	61%	39%	35%	65%
Level 3: Senior Manager	135	36%	64%	29%	71%
Level 4: Middle Manager	170	35%	65%	12%	88%

Overall it can be seen that males constitute the majority of the top 10% of earners for the top two levels of management, while females do so for management levels 3 and 4. Across all levels of management females constitute the majority of the bottom 10% of earners.

2.3: The gender pay gap for chief executives in the survey's 'Social Services' sub-sector

Table 5 overleaf takes a more in-depth look at the gender pay gap for organisations in the *Social Services* sector (i.e. the sub-sector with the highest gender pay gap). Again, the numbers are small here and very little concrete conclusions can be drawn from the analysis. However, it does show that the gender pay gap is significant across almost all size groupings. It is also interesting to note that even though six out of ten chief executives in this sector are female, the top 10% of earners are male and the bottom 10% are female.

The gender pay gap for the other three levels of management for this sub-group are also high, at 14%, 18% and 10% respectively (See Appendix 2, tables A7, A8 and A9).

Table 5: The gender pay gap in the Social Services sub-sector by size, and organisational income, for chief executive grades (41 cases)

Level 1: Chief Executive (CE)	Annual Rate of Pay €				Gender Pay Gap
	Males		Females		
	No. of Cases	Average €	No. of Cases	Average €	
(1) Size of Organisation					
1 - 2 employees	0	-	3	38,115	-
3 – 5 employees	3	64,645	8	50,630	22%
6 – 9 employees	3	56,894	4	48,295	15%
10 – 19 employees	3	73,000	4	57,523	21%
20 or more employees	8	90,799	5	75,286	17%
(2) Income					
Less than €100, 000	0	-	4	35,837	-
€100,001 - €250,000	1	65,000	6	49,266	- ⁹
€250,001 - €500,000	4	57,171	6	52,213	9%
€500,001 - €1,000,000	0	-	4	60,303	-
€1,000,001 - €5,000,000	6	84,717	4	81,414	4%
More than €5,000,000	4	94,774	0	-	-
All Organisations	17	77,060	24	54,962	29%

2.4 The gender composition of boards of management and the gender pay gap

While not all decisions with regard to pay rates in an organisation are made by board members, it is likely that board members have a say when it comes to the setting of pay rates, in particular for management grades as many of these are likely to be individually negotiated. As part of the survey, respondents were asked to provide details of the gender composition of their boards. The survey found an almost 50:50 split between females being in the minority on boards (i.e. that females comprised less than 50% of board members), and females being in the majority on boards (i.e. 50% or more of board members were female (see table 6).

⁹ As there is only 1 rate of pay for males here, the gender pay gap is not shown.

Table 6: Gender composition of boards

	Percentage of Organisations
No female board members	2
Fewer than 25%	12
25% - 49%	37
50%	10
51% - 69%	15
70% - 99%	17
100%	5
Not stated	3
Total (N = 261)	100%

Table 7 examines the gender pay gap and its relationship, if any, with the gender composition of the board. It is somewhat surprising to find that the gender pay gap is higher in organisations where females comprise 50% or more of the members on boards of management. It can also be seen from this table that when there are 50% or more females on boards, rates of pay are lower for *both* males and females, than when females are in a minority on boards. No simple explanations are available as to why this might be the case. While other factors impinge on the setting of pay rates (see 2.5: Pay policy and the gender pay gap), as overseers of remuneration in an organisation, the board does or should have influence with regard to the setting of pay rates.

Table 7: The gender composition of boards and the gender pay gap for chief executives grades

Chief Executive Officer (CEO)	Annual Rate of Pay €				Gender Pay Gap
	Males		Females		Average
	No. of Cases	Average €	No. of Cases	Average €	
Females comprise less than 50% of Board membership	45	77,735	40	69,459	10.6%
Females comprise 50% or more of Board membership	31	71,595	38	58,314	18.6%

2.5 Pay policy and the gender pay gap

Survey respondents were asked to indicate from a pre-set list how they decided the salaries for employees. The responses can be seen in Table 8. Organisations in this sector consider a range of options when setting pay rates for their employees.

Table 8: Pay policy – measures used for setting pay rates

	Percentage of Organisations
Organisation aligns their pay rates with HSE rates	14
Organisation negotiates with the individual	26
Organisation pays the minimum wage	4
Organisation pays the market rate	20
Depends on organisation's ability to pay	41
Other*	16
Total	242

* **Other includes:** as recommended by funders: 25%; own salary scales/historic rates: 15%; aligned with civil service rates: 12%; varies with qualifications and experience: 9%; decided by the Board: 5%; Local Authority alignment: 3%; varies: 31%.

Table 9 breaks down the responses to the pay policy question by organisational size, sector and income. The largest-sized organisations are most likely to *negotiate pay rates with individuals* (29%), *align their pay rates with HSE rates* (23%), and to *pay the market rate* (31%). For smaller-sized organisations, pay rates are more likely to *depend on the organisation's ability to pay*, than larger organisations and are also least likely to *pay market rates*. They do however, also *negotiate with individuals* in significant numbers. The picture is varied sector-wise, however, the Social Services sector (which had the highest gender pay gap), is least likely to *negotiate pay rates with individuals* (13%) or to *pay market rates* (12%). The most important factor for this sector is *ability to pay*. As would be expected, organisations with smaller incomes are least likely to *pay market rates*.

What emerges overall from the data is that significant numbers of organisations do take *ability to pay* into account, irrespective of size, sector or income, which characterises the overall sector's dependency on funding from government and donations (almost three-quarters (74%) of funding came from these two sources for the organisations in the survey). What is also significant is the number of organisations that *negotiate pay individually* with employees. This could mean that pay is negotiated higher, lower or at the market rate. Finally, while the *market rate* is also a significant factor for the

survey respondents when setting pay, this is particularly the case in large organisations, in higher-income organisations and in two sectors (Development & Housing, and International Development – here the market rate is taken into account in a third or more of organisations).

Table 9: Pay Policy – Measures used for setting pay rates by organisational size, sector and income

	Measures used for Setting Pay Rates ¹⁰ (Pay Policy)					
	No of Organisations ¹¹	We negotiate with the individual	We align with HSE rates of pay	We pay Minimum Wage	We pay the Market Rate	It depends on our ability to pay
		Percentage of Organisations				
(1) Size of Organisation						
1 - 2 employees	35	29	6	3	6	57
3 – 5 employees	58	24	12	5	16	47
6 – 9 employees	40	28	13	3	23	33
10 – 19 employees	37	19	14	3	19	30
20 or more employees	70	29	23	4	31	37
(2) Sector						
Arts, Culture and Heritage	14	36	0	7	21	50
Advocacy, Law and Politics	14	29	7	0	14	43
Development and Housing	15	27	20	7	33	40
International Development	26	39	4	0	35	39
Education	25	12	8	4	20	44
Health	43	35	35	2	23	37
Social Services	90	13	13	2	12	36
Sports & Recreation	12	17	8	17	17	25
(3) Income						
Less than €100, 000	45	22	4	8	4	40
€100,001 - €250,000	62	16	13	2	5	50
€250,001 - €500,000	35	23	17	3	23	34
€500,001 - €1,000,000	26	31	8	0	27	50
€1,000,001 - €5,000,000	51	31	26	4	31	24
More than €5,000,001	26	27	15	4	42	42

¹⁰ Please note – not all organisations replied to this question and some organisations gave more than one answer.

¹¹ The number of organisations relates to the numbers of respondents who provided data on organisational size, sector and income.

2.6: Part-time work and the gender pay gap

Commentators often point to the part-time (or less than full-time) nature of some women's work as being a contributory factor to the gender pay gap.

Part-time work can be defined in a number of different ways, for example, as working 30 hours or less per week. In the US it is defined as working between 1 and 34 hours per week (Bureau of Labor Statistics). For many official statistics (by EUROSTAT and the ILO, for example), it is defined as working less than full-time hours. The Community Foundation of Ireland Survey, 2015 defined a part-time worker as *any employee who works 30 hours or less per week, whether the employee works half days, a 2, 3, or 4 day week, or had personalised hours of 30 or less per week*. The survey found that overall, 40% of the workforce worked 30 hours or less per week and that the majority (76%) of these part-time workers were female. Table 10 following provides data for two definitions of part-time work, for the survey's management grades¹².

Table 10: Part-time weekly hours of work/weekly hours worked less than full-time hours by management grade

	Total No. of Cases	Males	Total No of Cases	Females
Level 1: Chief Executives				
Works 30 hours or less pw	72	7%	78	8%
Works less than 35 hours pw		+0%		+1%
Level 2: Head of Function/ Director				
Works 30 hours or less pw	87	6%	134	18%
Works less than 35 hours pw		+5%		+10%
Level 3: Senior Manager				
Works 30 hours or less pw	42	29%	98	22%
Works less than 35 hours pw		+0%		+7%
Level 4: Middle Manager				
Works 30 hours or less pw	49	19%	117	21%
Works less than 35 hours pw		+4%		+8%

From table 10, it can be seen that male and female chief executives are similarly likely to work full-time (only 7% and 9% of males and females respectively, work less than full-time hours). Working less than full-time hours

¹² Please note - while many of the employees in the respondent organisations worked part-time, full-time equivalent rates of pay are shown in the report.

at this level of management is therefore unlikely to be a contributory factor to the gender pay gap. However, for other levels of management this could be a contributory factor because in absolute terms significantly more females work part-time than males for each of the three levels of management (even though, in proportionate terms, there does not appear to be very large differences for levels 3 and 4). However, the gender pay gap is quite low for middle and senior managers. For Level 2 managers, there is both an absolute and a proportionate difference in the numbers of males and females working part-time, where more than a quarter (28%) of female Heads of Function/Directors working less than full-time hours, compared to 11% of males.

2.7: Unionisation and the Gender Pay Gap

While there are different sources available as to the current numbers of employees in Ireland who are members of a trade union, the CSO figure for 2015 is 27% (QNHS, 2015c) having declined from 34% a decade earlier. There are no official figures available as to the numbers of unionised employees in different sectors.

Table 11 analyses the take up in membership of trade unions within the 2015 Community Foundation of Ireland survey. Take up of membership is low with only 6% of the organisations having more than half of their work force unionized, and 62% of organisations stating that none of their staff were unionised.

Table 11: Trade union membership

Membership of a Trade Union	No. of Organisations	(%)
No	163	62
Less than 50%	49	19
Approximately 50%	17	7
More than 50%	8	3
Most or all	8	3
Not stated	16	6
TOTAL	261	100

The research conducted by ESRI and The Equality Authority (McGuinness et al, 2009) based on national data from 2003, found that the higher levels of union membership among males benefited male earnings. At the same time, the study also found that the implementation of the National Wage

Agreements (involving tri-partite agreements between the Government, employers and trade unions) helped to standardise pay within and across firms and sectors and that that in turn, helped to reduce the gender pay gap. However, the national pay agreements virtually ended in 2009 and have been followed by pay freezes, pay cuts and redundancies for all grades of employee. In addition, union membership has fallen since 2003. The data in table 11 however, does not tell us if the unionised employees are male or female. Given this and the low levels of unionisation in the sector overall, it is not possible to ascertain the impact, if any, that unionisation may have had on the gender pay gap for employees in Voluntary, Community and Charitable organisations.

Discussion and Conclusion

In terms of pay rates for Voluntary, Community and Charitable organisations, it would be reasonable to expect little or no gender pay gap for managers working at the same level, in the same sector. However, the survey data used for the analysis in this report found that overall, female manager rates of pay were 10.4% lower than male manager rates. The gender pay gap was low for senior and middle managers at 4% and 5.9% respectively, but rose to 15.5% for chief executives. The proportion of males and females in each management group may have had an impact on the size of the gender pay gap in these organisations. The gap is highest for chief executives, where there were equal numbers of males and females in the chief executive sample. However, for the other three grades of management, the proportion of female managers was significantly higher – with six out of ten Level 2 jobs filled by females, and more than seven out of ten Level 3 and 4 jobs. One possible explanation for this might be that because pay is traditionally lower in female-dominated sectors and occupations, pay rates have averaged downwards for both males and females.

When a more in-depth look is taken at the sector (i.e. Social Services, 41 cases) with the highest gender pay gap of 29% for chief executives, the pay gap was still found to be significant across almost all size groupings of organisations. This is in keeping with a recent European Commission study (2014) on the Health and Social Services sector across the EU, where it was found that the high gender pay gap in this sector posed a significant challenge for the sector as a whole.

Very few studies have been carried out on the gender pay gap for management, 'partly because managerial salaries are often confidential' and are individually negotiated (ILO, 2015). Of the various research studies that focused on factors to explain the gap, most conclude that 'a certain proportion of salary differences cannot be explained by objective reasons and are due to gender stereotyping' (2015: 72), meaning that even though women are increasingly combining active participation in labour markets and family responsibilities, a perception still exists that views women as predominantly wife, mother and homemaker. The research conducted by the UK Chartered Management Institute in 2015 found that full-time female managers are paid 22% less than males.

Top 10% of earners

The gender pay gap for the top 10% of chief executives was even higher at 25%. Some of this may be explained by the nature of the sector – mixed size, activity and income. The availability of funding too is obviously a factor in the setting of pay, but this is an explanation for lower pay rates for everyone, and not just for females. The gender pay gap figure of 25% for chief executives compares with a national gender pay gap for the top 10% of earners in Ireland of 24.6% (Bunyan, 2015), and an almost consistent 20% gender pay gap for full-time top decile UK earners (ONS, 2015).

Occupational Segregation

The impact of occupational segregation is said to be lessening, as females move into different jobs. While one in six women (18%) still currently work in *Administrative & secretarial jobs* (79% of all of these jobs are held by females) and around one in seven (15%) females work in *Caring, leisure and other services* (83% of all jobs here are held by females), just under a quarter of females (23%) are currently working in *Professional jobs* (taking up 57% of all jobs in this category), and around a third (34%) of all *Managers, directors and senior officials* positions are taken up by females, indicating some shift away for females from lower paid jobs. Males on the other hand, are concentrated predominantly in *Skilled trades* (92% of jobs in this category) and *Managers, directors and senior officials* (66% of all jobs in this category) (CSO, 2015a). While this heightens the difference between males and female earnings (as these are higher-paying jobs), around a quarter of males (24%) are also engaged in low skill jobs, in *Operative* and *Elementary* categories, which goes some way to reducing or balancing out some elements of the overall gender pay gap in terms of occupation. However, this does not necessarily remove the effects of women working in lower-paid sectors (i.e. industrial or sectoral segregation).

McGuinness et al (2009) found that occupational and industrial segregation only contributed around 2.8% of the pay gap. The study found that 'differences in the labour market experience levels of males and females' was by far the single most important single influence in explaining the wage gap'. Women moving in and out of the labour market (to take up caring or family responsibilities) contributed significantly to women's lower earnings in their study. However, the data in their study is now 12 years old and women's labour market engagement patterns have changed somewhat since then. Over the recession, women's employment rate increased and males decreased. In 2015 there was an 11.3% difference between male and female employment rates (CSO, 2015c), compared to 19.4% in 2003.

Participation rates for females also grew from 50% in 2003, to 53% in 2015. Again, in 2015 around a quarter (25.2%) of females classified their principle economic status as 'home duties'; the figure in 2003 was 35%. This will have consequences for the gender division of housework and caring responsibilities.

Women on Boards

There was no evidence in the survey to support the view that females do better when females are in the majority on boards of management. In fact, the survey found that the gender pay gap is higher for chief executives where women comprise 5-% or more of the membership on boards. This raises some questions, such as - are men still perceived to be the main 'breadwinner' in this sector, or is 'women's work' when it is carried out by women not valued in the same way as when it is carried out by men, i.e. has this sector internalised pay discrimination in some way? Or, on the other hand, can the gender pay gap be explained by female chief executives being younger and/or less experienced than their male counterparts, or by other reasons?

A report in the Harvard Business Review (2015) on the work done by Professor Aaron Dhir in Norway found that the presence of women on boards did bring something different to the boardroom and to decision-making. Women brought 'a different set of perspectives, experiences, angles and viewpoints than their male counterparts'. It was also observed that females were more likely than their male counterparts to probe deeply into the issues under discussion. Most women appeared to be uninterested in presenting a façade of knowledge and were loath to make decisions they did not fully understand. He also found that females had a different style of engagement, often seeking the opinions of others and trying to ensure a more participative way of working in the boardroom. The study also found that the quota system in Norway 'forced a movement away from closed social groups and in-group favouritism – that is, people tapping only their own networks.' Professor Dhir stated that in Norway 'the forced repopulation of boards along gender lines has disturbed the traditional order of corporate board governance systems, dislocating established hierarchies of power and privilege in key market-based institutions'. The Community Foundation of Ireland study (2015) does not tell us how long the females in the survey have been majority members of boards. Given that the sector has experienced pay cuts and pay freezes, in addition to funding cuts over the last six or seven years, it is possible that the impact of female majorities on boards has yet to be felt in terms of gender pay gaps. However, based on the data available,

the high membership of females on boards of management does not appear to-date, to have made a change to the gender pay gap issue in this sector.

Pay Policy and the Setting of Pay Rates

The setting of pay rates for organisations in the sector takes a range of factors into consideration. A significant proportion of organisations take *ability to pay* into account, but at least half of the organisations in the survey did not appear to consider this. This may be due to the long-standing nature of some of the organisations in the survey who may almost have a guaranteed stream of income support, from both government and from other sources. This is unlikely to be the case however, for many organisations in the survey, particular small and low income organisations. Both large and small organisations *negotiate with individuals* to set their pay rates but small organisations are least likely to *pay the market rate*.

The data on the measures used to set pay rates in the survey does not tell us the extent to which these measures are used to set pay for management grades. It is plausible, however, to assume that management rates of pay are negotiated individually with managers and that this might particularly be the case for chief executives. This might account for the gender pay gap being higher at management level. In Australia, it was found that the gender pay gap was highest when pay was set through individual agreement as opposed to when pay is set by federal or state industrial authorities, or through collective bargaining (WGEA, 2015). The IWPA (2014) in the US concluded that 'pay secrecy appears to contribute to the gender pay gap in earnings'. Traditionally, females are said to rate their skills lower than those of their male counterparts, are not generally good at self-promotion, and might therefore not perform well in negotiations.

Women and Pay Negotiations

Research conducted by Stevens et al (1993, cited in Barron, 2003) found that women feel less confident about their salary negotiation ability than men. Barron conducted research into salary negotiation behaviour and the beliefs held by men and women in relation to that behaviour. She found that women and men differ in a number of areas, including: how they approach pay negotiations (with females focusing on harmony, sensitivity and the fairness of the process while men focus on individual achievement. Women also sometimes focus more on the interpersonal aspects of the negotiations relationship than men); what they look for from pay negotiations (women can be motivated more by concerns for their co-workers and getting positive

evaluations from them than men are); their beliefs around their entitlement to pay (Barron points to the considerable evidence to show that women feel entitled to less pay than men, and even view less pay as fair pay for their work, in the absence of any external comparison standards); the tendency of both sexes to prefer to make pay comparisons with their own gender group (this can affect how women see their entitlement to pay as women generally earn less than men).

In a capitalist economy, one accepted measure of a person's worth is the salary commanded. Barron (2003) found that women were uneasy around asserting their own monetary value compared to men, while 'men tended to overestimate the uniqueness of their abilities or characteristics'. She also found that women did not necessarily equate their worth with a salary, they did not conceptualise themselves in that way. Women were also uncertain as to how to evaluate the value they brought to the organisation and were more likely to believe their worth to be defined by what the organisation was willing to pay. They believed that it was the organisation's job to make that assessment. Many women had difficulty in 'saying great things' about themselves and she quotes studies that show women believed they had to work harder or do more work to get the same pay as men.

In the study of female executives conducted in Latin America (Wirth, 2004: 48) another explanation was found whereby some women, when they have children, start to negotiate time off and flexibility instead of salary increases and promotions. On the other hand, the study also noted that women's decisions on prioritizing work and home were made on the way up their career ladder, so that by the time they reached senior management level they had already found ways of balancing work and home.

Part-time work and the gender pay gap

The McGuinness et al study (2009) found that women working part-time widened the pay gap by 1.9%. However, the part-time nature of women's work does not appear to be a contributory factor in the gender pay gap for chief executives in the survey because the vast majority of both genders work full-time (93% of males and 91% of females). The majority of part-time female workers in the survey are to be found in the other three levels of management.

Conclusion

This report cannot evaluate the impact of certain factors on pay such as qualifications, age, experience, length of service, etc., because this information was not collected in the survey. We do not know the age of the chief executives, their qualifications and years of experience in their jobs and cannot therefore examine their potential impact on the gender pay gap. An earlier report based on 2003 data for Ireland (McGuinness et al, 2009) found that, on average, men had more years of work experience than women (unlike women who have interrupted career patterns and who undergo what is called 'the motherhood penalty' (Correll, Benard, and Paik (2009)) and that this was the single biggest contributor to the gender pay gap. However, this different level of experience accounted for only 3.1% of the then 21% gender pay gap. A range of other factors were investigated (family size, job and firm-level characteristics such as part-time or full-time work, unionisation, the availability of flexible working arrangements, etc.) and their contribution to the pay gap estimated, leaving a final gap of 7.8% (a third of the total) which could not be attributed to any of the factors used in the analysis.

The McGuinness et al study also found a gender pay gap of 26.7% for managers (higher than the overall gender pay gap), with higher levels of experience and tenure, a higher incidence of marriage/cohabitation and supervisory responsibilities, and a lower incidence of part-time working being the chief elements driving up male earnings.

A gender pay gap is to be found across both the private and public sectors (albeit the gap is lower in the public sector as more people are covered by set pay rates for both males and females, with generally full transparency of these pay rates) as well as in the Voluntary and Community sector of the economy. In most studies on the gender pay gap, there is an unexplained element. While women may leave the labour market to have children, most are now returning after maternity leave. By the time they get to chief executive level it is likely that they will have gained sufficient skills and experience to deliver the role in much the same way as men. It is not possible to know the extent to which the gender pay gap found in the Community Foundation of Ireland Survey, 2015 reflects discrimination, women's under-valuing of their own work, women's pay negotiation approaches/beliefs, or some other reason. However, given how important equality and having an equitable work environment is to employees in this sector, were women to feel they were being paid less than men, this could give rise to negative consequences such as lower morale, reduced commitment and engagement, and higher turnover. This creates a strong

incentive for managers in this sector to design and ensure pay systems that are equitable.

The Community, Voluntary and Charities sector undoubtedly carries some legacy issues (e.g. lower rates of pay, a dominance of female workers, precarious employment and an over-dependence on volatile funding). However, health and social services form a large part of services offered by Voluntary, Community and Charitable organisation and form a fundamental part of social protection systems (European Commission, 2014). They cover different types of risks that individuals can face during their lifetimes and promote social inclusion, thereby reducing the risk of poverty and inequalities as well as improving social cohesion. The European Commission's report outlined some features of this sector (2014:7) which have relevance for this study, as follows:

- 'The workforce in the health and social services is mainly female; with women representing 78% of all employment in the sector.
- 81% of the newly created jobs in the sector are occupied by women.
- The difference in earnings between men and women is higher than in other sectors.
- Workers in the health and social services sector are on average better skilled compared to the average in other sectors.
- Part-time work is more common in this sector than in the whole economy and the share of part-time work in the sector increased during the crisis.'

The report also outlined the gender pay gap as one of the serious challenges that health and social services organisations are facing across the EU (even though the workforce is overwhelmingly female). Other challenges mentioned in the report include - a workforce that is ageing at a faster pace than in other sectors in the economy; harder working conditions, in particular with respect to working time; and a high rate of part-time work, possibly making it difficult to attract new workers into the sector. Given the growing demand for services experienced in Ireland (most recently due to the recession, but likely to grow in the future related to an ageing workforce and other demographic changes), creating an effective development strategy for the sector is imperative. However, any strategy needs to be based on facts. The facts are not all there to give a full picture of the gender pay gap in this sector. Further research in this area in addition to some of the above mentioned challenges would usefully contribute to such a strategy and to the sustainability of the sector for the future.

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APPENDIX 1

Community Foundation of Ireland National Survey on Pay and Conditions of Employment in Voluntary, Community and Charitable Organisations, 2015 – Profile of Survey Respondents

Table A1: Sector breakdown of organisations surveyed

Sector	Number	%
Arts, Culture & Heritage	14	(5)
Advocacy, Law & Politics	14	(5)
Development & Housing	15	(6)
Development – International	26	(10)
Education	25	(10)
Health	43	(16)
Social Services	90	(34)
Sports & Recreation	12	(5)
Other	20	(8)
Not stated	2	(1)
Total	261	(100)

Table A2: Size breakdown of organisations surveyed

Size of Organisation	No. of Organisations	(%)	Total No. of Employees	(%)
No paid employees	13	(5)	0	(-)
1 - 2 employees	35	(13)	54	(1)
3 - 5 paid employees	58	(22)	234	(3)
6 - 9 paid employees	40	(15)	294	(3)
10 - 19 paid employees	37	(14)	472	(6)
20 or more paid employees	70	(27)	7227	(87)
Not stated	8	(3)	-	(-)
Total	261	(100%)	8281	(100%)

Table A3: Gender by type of employment

Type of Employment	Gender				Not stated	%
	No. of Male Employees	(%)	No. of Female Employees	%		
Full-time	1571	(32)	3,300	(66)	107	(2%)
Part-time	530	(16)	2,513	(76)	260	(8%)
TOTAL (8,281)	2,101	(25)	5,813	(70)	367	(4%)

Table A4: Type of employment by size of organisation

Size of Organisation	Type of Employment				Total All Employees	(%)
	No. of Full-time Employees	(%)	No. of Part-time Employees	(%)		
1- 2 employees	26	(48)	28	(52)	54	(1)
3 - 5 employees	124	(53)	110	(47)	234	(3)
6 - 9 employees	144	(49)	150	(51)	294	(4)
10 - 19 employees	272	(58)	200	(42)	472	(6)
20 or more employees	4,412	(61)	2,815	(39)	7,227	(87%)
TOTAL	4,978	(60)	3,303	(40)	8,281	(100%)

Table A5: Organisational income for 2014

Annual Income	No. of Organisations	(%)
Less than €100,000	48	(18)
€100,001 – 250,000	62	(24)
€250,001 – 500,000	35	(13)
€500,001 – 1,000,000	27	(10)
€1,000,001 – 5,000,000	51	(20)
€5,000,000 or more	26	(10)
Not stated	12	(5)
Total	261	(100)

APPENDIX 2: Annual Pay Rates and the Gender Pay Gap for Management Levels 1 – 4

The median¹³ gender pay gap figure is shown in addition to the average in the following tables. The reason for this is because the average can be affected by outliers (i.e. small numbers of very high or low rates of pay), particularly when there are small numbers of cases in the samples used. Where the gender pay gap is shown as a minus figure, this means that the average female rate of pay is higher than the male average rate, for a particular size, sector or income. In a small number of cases, the median rate for females is higher than for males, while at the same time, the average rate is lower. This incongruity is most likely due to the small number of cases involved.

¹³ The median is calculated by listing pay rates from highest to lowest; some fifty percent of pay rates are below the median figure and fifty percent are higher.

Table A6: Annual Pay Rates for Males and Females and the Gender Pay Gap – by Size, Sector and Organisational Income – for chief executive grades (155 cases)¹⁴ – by organisational size, sector and income

Level 1: Chief Executive (CE)	Annual Rate of Pay €						Gender Pay Gap ¹⁵	
	Males			Females			Average	Median
	No. of Cases	Average €	Median €	No. of Cases	Average €	Median €		
(1) Size of Organisation								
1 – 2 employees	6	46,539	47,582	9	38,243	36,346	18%	24%
3 – 5 employees	16	57,327	56,000	17	55,032	50,000	4%	11%
6 – 9 employees	11	60,608	58,682	10	56,061	59,341	8%	-1%
10 – 19 employees	10	75,012	64,141	18	67,825	67,401	10%	-5%
20 or more employees	34	94,794	88,008	24	80,546	83,345	15%	5%
(2) Sector								
Arts, Culture and Heritage	5	61,001	45,000	4	53,125	56,250	13%	-25%
Advocacy, Law and Politics	5	72,644	81,000	7	59,459	65,000	18%	22%
Development and Housing	7	83,388	80,000	4	71,303	77,500	14%	3%
International Development	14	78,421	77,026	7	76,668	75,000	2%	3%
Education	3	-	-	6	-	-	-	-
Health	14	79,208	65,000	16	77,153	75,000	3%	-15%
Social Services	17	77,060	75,932	24	54,962	55,030	29%	28%
Sports & Recreation	3	-	-	4	-	-	-	-
(3) Income								
Less than €100, 000	4	44,623	45,500	9	35,632	36,346	20%	20%
€100,001 - €250,000	17	53,326	50,500	13	47,179	48,000	12%	5%
€250,001 - €500,000	8	57,242	58,341	12	58,301	59,341	-2%	-2%
€500,001 - €1,000,000	4	74,710	72,500	13	64,477	65,000	14%	10%
€1,000,001 - €5,000,000	23	84,237	81,000	21	77,921	75,000	7%	7%
More than €5,000,000	17	103,417	95,935	8	92,901	93,357	10%	3%
All Organisations	77	75,796	75,000	78	64,029	65,500	15.5%	12.7%

¹⁴ While there were 209 level 1 positions in the survey, there were 158 pay rates provided for the title Chief Executive. It was decided to focus this comparison on this position only (for level 1 positions) as it is a very specific and clearly identifiable role. Some 3 organisations did not provide details of gender for this position. Please also note that not all organisations provided details on size, sector or income.

¹⁵ Differences are only shown where there have been 4 or more cases of pay rates for both males and females.

Table A7: Annual Pay Rates for Males and Females and the Gender Pay Gap – by Size, Sector and Organisational Income – for All Level 2 jobs (228 cases)¹⁶

All Level 2 jobs – Head of Function/Director	Annual Rate of Pay						Gender Pay Gap ¹⁷	
	Males			Females			Average	Median
	No. of Cases	Average	Median	No. of Cases	Average	Median		
(1) Size of Organisation								
1 – 2 employees	4	44,270	48,540	4	58,523	55,500	-32%	-14%
3 – 5 employees	1	-	-	7	-	-	-	-
6 – 9 employees	4	48,336	46,250	10	41,524	40,020	14%	13%
10 – 19 employees	18	51,980	52,488	24	50,639	47,500	3%	10%
20 or more employees	61	70,051	70,000	95	63,403	62,085	9%	11%
(2) Sector								
Arts, Culture and Heritage	2	-	-	4	-	-	-	-
Advocacy, Law and Politics	3	-	-	2	-	-	-	-
Development and Housing	9	70,874	65,610	14	64,352	62,080	9%	5%
International Development	28	62,531	60,500	29	57,619	60,000	8%	-
Education	3	-	-	8	-	-	-	-
Health	20	70,592	70,926	45	60,832	57,500	14%	19%
Social Services	14	63,575	62,922	29	55,591	53,040	13%	16%
Sports & Recreation	2	-	-	2	-	-	-	-
(3) Income								
Less than 100, 000	0	-	-	4	-	-	-	-
100,001 – 250,000	5	41,016	40,000	7	36,768	41,200	10%	-3%
250,001 – 500,000	5	49,621	50,760	6	45,448	43,629	8%	14%
500,001 – 1,000,000	5	55,081	52,404	16	50,561	49,100	8%	6%
1,000,001 – 5,000,000	30	58,151	56,500	56	56,391	55,019	3%	3%
More than 5,000,001	40	72,728	73,041	45	68,678	65,000	6%	11%
All Organisations	88	63,995	65,000	140	58,562	57,443	8.5%	11.6%

¹⁶ There were a total of 254 Level 2 positions in the survey - details of gender were not provided in 26 cases.

¹⁷ Please note – differences are only shown where there have been 4 or more cases of pay rates for both males and females. Please also note that for this level more than six out of ten positions (61%) are filled by females.

Table A8: Annual Pay Rates for Males and Females and the Gender Pay Gap – by Size, Sector and Organisational Income – for All Level 3 jobs (228 cases) ¹⁸

All Level 3 jobs – Senior Manager	Annual Rate of Pay						Gender Pay Gap ¹⁹	
	Males			Females			Average	Median
	No. of Cases	Average	Median	No. of Cases	Average	Median		
(1) Size of Organisation								
1 – 2 employees	0	-	-	3	-	-	-	-
3 – 5 employees	2	-	-	4	-	-	-	-
6 – 9 employees	2	-	-	8	-	-	-	-
10 – 19 employees	4	45,695	45,000	15	48,299	45,000	-6%	0%
20 or more employees	30	57,120	55,728	67	55,652	54,000	3%	3%
(2) Sector								
Arts, Culture and Heritage	1	-	-	10	-	-	-	-
Advocacy, Law and Politics	3	-	-	7	-	-	-	-
Development and Housing	7	54,588	50,850	8	54,663	54,250	-	-7%
International Development	5	50,390	54,500	11	56,950	58,343	-13%	-7%
Education	3	-	-	6	-	-	-	-
Health	8	56,158	55,632	22	54,588	55,000	3%	1%
Social Services	6	59,713	58,500	21	49,224	50,000	18%	15%
Sports & Recreation	1	-	-	4	-	-	-	-
(3) Income								
Less than 100, 000	0	-	-	1	-	-	-	-
100,001 - 250,000	2	-	-	5	-	-	-	-
250,001 - 500,000	1	-	-	6	-	-	-	-
500,001 - 1,000,000	2	-	-	11	-	-	-	-
1,000,001 - 5,000,000	16	49,892	52,632	40	53,183	50,497	-7%	4%
More than 5,000,001	12	63,431	60,716	26	59,287	58,661	7%	3%
All Organisations	38	54,211	53,250	97	52,061	50,000	4.0%	6.1%

¹⁸ There were a total of 159 level 3 positions in the survey. However, details of gender for these positions were not provided in 24 cases.

¹⁹ Please note – differences are only shown where there have been 4 or more cases of pay rates for both males and females. Please also note that there are approximately 2.5 times as many females as males in the positions for this level.

Table A9: Annual Pay Rates for Males and Females and the Gender Pay Gap - by Size, Sector and Organisational Income – for All Level 4 jobs (228 cases) ²⁰

All Level 4 jobs – Middle Manager	Annual Rate of Pay						Gender Pay Gap ²¹	
	Males			Females			Average	Median
	No. of Cases	Average	Median	No. of Cases	Average	Median		
(1) Size of Organisation								
1 - 2 employees	1	-	-	2	-	-	-	-
3 – 5 employees	1	-	-	11	-	-	-	-
6 – 9 employees	6	40,073	42,275	18	37,548	39,464	6%	7%
10 – 19 employees	2	-	-	24	-	-	-	-
20 or more employees	37	46,704	45,574	68	45,152	46,500	3%	-2%
(2) Sector								
Arts, Culture and Heritage	1	-	-	9	-	-	-	-
Advocacy, Law and Politics	5	-	-	2	-	-	-	-
Development and Housing	0	-	-	8	-	-	-	-
International Development	12	46,364	50,164	17	42,483	42,862	8%	15%
Education	5	40,480	41,732	13	38,592	36,234	5%	13%
Health	6	45,117	43,283	28	46,994	48,700	-4%	-13%
Social Services	12	47,620	46,416	33	43,089	40,000	10%	14%
Sports & Recreation	1	-	-	2	-	-	-	-
(3) Income								
Less than 100, 000	0	-	-	3	-	-	-	-
100,001 - 250,000	3	-	-	10	-	-	-	-
250,001 - 500,000	3	-	-	16	-	-	-	-
500,001 - 1,000,000	3	-	-	14	-	-	-	-
1,000,001 - 5,000,000	20	43,473	44,432	50	41,889	40,000	4%	10%
More than 5,000,001	15	49,301	51,295	24	49,523	51,350	0%	0%
All Organisations	47	45,121	44,388	123	42,475	42,000	5.9%	5.4%

²⁰ There were a total of 230 level 4 positions in the survey. However, details of gender for these positions were not provided in 60 cases.

²¹ Please note – differences are only shown where there have been 4 or more cases of pay rates for both males and females. Please also note that there are almost 3 times as many females as males in the positions for this level.

