Has Gender Equity Improved?
An Examination of the Challenges Faced by Professional Women in Law and Healthcare

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ABSTRACT

This paper looks at contemporary developments and some of the social and political phenomena that have affected the status of the gap in compensation between women and men generally, and in the fields of law and healthcare specifically. It examines not only progress to date, but also how this progress has been obtained and, based on both domestic and international experiences, provides recommendations for the future.

Keywords: Female Leaders, Female Managers, Gender, Professional Healthcare Employees, Professionals

BACKGROUND

In 2000, women were paid an average of 79.7 cents for every dollar paid to men. The average earnings for women (workers and non-workers) were $16,554, compared with $35,942 for men (workers and non-workers) (US General Accounting Office, 2003). Three years later, the Economic Policy Institute (2003) reported that the ratio of women’s median wage to men’s median wage reached 81.3%. By 2005, the Bureau of Labor Statistics (BLS) found that women held half of all management, professional, and related occupations in 2004, and from 1979 to 2004, women’s earnings as compared with men’s salaries increased by 18% - from 62 to 80 percent (BLS, 2005).

Vieito and Khan (2012) examined executive compensation associated with S&P1500 listed firms between 1992 to 2004, and found a gender gap in executive compensation, but the gap was reduced after 2000. Although a statistically significant difference in total compensation for men and women for non-technology firms was observed, this gap was not statistically significant in technology firms, where a very industry-specific skill set is required.

Jones (2005) indicated that the larger the organization, the more significant the gap between male and female executive directors. This finding was evident in the Equal Employment Opportunity Commission’s (EEOC’s) first sexual discrimination case against a Wall Street firm, Morgan Stanley, in which the company was

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accused of having systematically denied promotions and raises to women (Kelly & DeBaise, 2004). The case was settled out of court with a $54 million settlement. Similarly, in early February of 2007, the Ninth Circuit court affirmed class certification in the sex discrimination case of Wal-Mart Stores, the world’s largest retailer. Although it was settled in Wal-Mart’s favor, this case was the largest class action lawsuit (with over 1.5 million plaintiffs) ever certified against a private employer. While these cases involve large employers, gender equity issues continue to occur within other and perhaps less prominent employment sectors, and the remainder of this paper will examine why they warrant serious attention from employers—and long before they are brought to court.

WHERE WE ARE TODAY

Early in 2009, one of President Obama’s first pieces of legislation was the Lilly Ledbetter Fair Pay Act. In a protracted battle, including a Supreme Court decision that rejected the initial lawsuit against Goodyear, Ms. Ledbetter spearheaded the bill that relaxed the statute of limitations related to the 180 day window during which an alleged unlawful employment practice must be filed by a complainant. According to Representative George Miller, Democrat of California, “the Supreme Court decided to commit legal jujitsu to satisfy a narrow ideological agenda…under the Ledbetter ruling, employers can escape responsibility for pay discrimination if they keep it hidden for the first 180 days” (Pear, 2009, p. 2). Not surprisingly, governmental bipartisanship fueled arguments over this legislation, but a focal point of this case and others like it is this: many women do not realize that they are paid less than men until years after the discrimination begins, and yet salary is one of the best kept secrets in any work organization.

In spite of more widespread implementation of company policies and greater employee awareness of gender bias issues, discriminatory practices have increased. Since 2000, “the total number of charges filed with the EEOC has increased 25.1% to 999,922 in 2010” (Greenwald, 2011, p. 1). It is ironic that the raised consciousness of aggrieved employees may have been what exacerbated this increase. For example, in mid-2010, Novartis A.G., a large Swiss pharmaceutical firm, settled a class action of the unfair treatment of 5,600 female sales representatives for $175 million. In early 2011, a senior manager at Toshiba Corporation sought $100 million from a U.S. unit of this Japanese firm for gender bias against women in pay and promotions. In terms of satisfaction with overall pay, a Kenexa Corporation survey reported that a third of men thought they were underpaid while 43% of women had the same feeling—an indicator that women continue to believe that they are paid less for the same work (Light, 2011). In comparable studies done at Hay Group, only one in five companies invites employees to give feedback on pay programs (Light, 2011), an action that could alleviate the perception of unfairness and, subsequently, quell the filing of lawsuits.

WOMEN IN LAW

The challenges women face regarding pay and promotional opportunities cut across all types of industries. While some employment sectors have demonstrated gender awareness and pay/promotional equity, others remain stagnant. Researchers (Hagan, 1990; Noonan, Corcoran, & Courant, 2005; Wood, Corcoran, & Courant, 1993) have found differences in compensation of male and female lawyers, with earlier studies demonstrating a gap of about 50% and later studies showing a gap of 25-33%, even when other observable variables were accounted for. This gap appears to be continuing to narrow, with more current researchers (Dinovitzer, Reichman, & Sterling, 2009) finding only a 5% gap in compensation between male and female lawyers.

The gender compensation gap in the legal profession was reviewed in depth in the Report of the Fifth Annual National Survey on Reten-
Urban Traffic Characteristics and Urban Stormwater Quality: A Methodology to Measure Traffic Generated Water Pollutants
www.igi-global.com/chapter/urban-traffic-characteristics-urban-stormwater/43799?camid=4v1a

An Alternative Approach for Evaluating the Binormal ROC Curve
www.igi-global.com/article/alternative-approach-evaluating-binormal-roc/80236?camid=4v1a