

**The research on gender-based payment  
equality influence on job satisfaction  
from working women perspective in  
China**

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# Abstract

Thesis Title : The research on gender-based payment equality influence on job satisfaction from working women perspective in China

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This research aims to investigate the conditions of gender-based payment inequality and its influences on job satisfaction. Theoretical reviews lay a solid foundation for primary research on investigating the dimensions of payment inequality, the factors that influence job satisfaction, and the actual conditions of gender-based payment inequality in China. The primary results show that the income of all the employees is largely determined according to the job responsibility and the evaluation of the performances, and female employees are not given equal opportunities for important jobs and proof of performances. Female employees consider that it is difficult to change the perception that males are ought to be paid more. Both primary and theoretical reviews conclude that the gender-based payment inequality has become a common issue that causes the low job satisfaction rate. The primary results highlight that the financial payment inequality is only one aspect that leads to low job satisfaction, and fill the research gap that not being trusted about their ability to deliver is the higher level of needs and motivations that lead to low job satisfaction that would make them to quit the job. The primary

research concludes the reasons to the gender-based payment inequality rooted deeply in social, cultural, and political beliefs and concepts in China, and individual efforts from females would not change the current conditions. Thus, the suggestions from the female employees are common agreements that the government should take the responsibility to create the policy to compensate the company that hires young female employees during maternity leave for even the cost to realize payment equality, and to create the policy that makes male employees take the maternity leave as their wives are pregnant to realize payment equality.

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## **Chapter One, Introduction**

### **1.1 Research background**

The purpose of this dissertation is to understand the practical issues of gender-based payment equality in China, its actual influences on job satisfaction, and how to improve the job satisfaction of female employees through gender-based payment equality. Payment equality is one of the biggest issues in the employment relations and human resource management (Grimshaw, and Rubery, 2015). There are diverse managerial approaches and tactics to ensure payment equality, but the influences of the tactics and approaches would have different reflections on the performance of employees and employees' perception on the company. The payment system is a critical aspect to determine the job satisfaction of all employees (Huang, and Gamble, 2015). How to design a payment system that could increase the job satisfaction is an uprising issue to human resource management (Smith, 2015). Payment equality from gender perspective is influential to the incentives and the competitiveness of female employees, as well as the turnover rate. There are growing appeals on gender-based payment equality as both a social and a management issue in both developing and developed countries. China is a huge country with hundreds of millions of working women, and organizations in the urban area of China are facing shortages of skilled labours and qualified

talents. How to raise the job satisfaction to retain qualified female employees, attract potential female employees, and build a good reputation in the labour market, is a critical question among Chinese organizations (Huang, and Gamble, 2015).

Gender based payment equality is one of the approaches to improve the human resource management for job satisfaction of female employees (Grimshaw, and Rubery, 2015). However, gender payment equality has not received enough attention in the Chinese organization, because there are little researches about gender-based payment equality in China and its influences on job satisfaction. According to the study of Huang and Gamble (2015), in China, female employees have a higher level of job satisfaction than male employees, even though they are not paid equally in terms of gender pay gap and the motherhood pay gap. Thus, there are different perceptions and acceptance on payment equality and job satisfaction based on the positions and gender of employees. This research chooses to investigate the influences of gender-based payment equality on job satisfaction in China to understand its influences from both female employee and employer perspective and provide suggestions to organizations in China for improving female employee job satisfaction through better gender-based payment equality.

## 1.2 Research rationale and significance

The previous research on gender-based payment inequality and job satisfaction include the studies on the four dimensions of payment equality, such as payment procedure, payment distribution, payment interaction, and payment gap, and the needs and motivational factors to job satisfaction, such as hierarchy of needs, two-factor theory, equity theory, and the political conditions on the gender-based payment inequality, such as the labour policy and social conditions. However, these researches does not provide perspective from individual females about the real conditions of gender-based payment inequality and job satisfaction.

This research tries to fill the research gap about the insufficient studies in terms of gender-based payment equality and job satisfaction in China. "Equal pay for equal work" is the principle of the distribution of labour remuneration (Labour Law in China, 2009). International labour conventions, labour rights laws such as Europe and the United States have the principle of equal pay for equal work (Huang and Gamble, 2015). Article 48, paragraph 2, of the Constitution of the People's Republic of China stipulates the principle of equal pay for equal work for men and women, while Article 6 stipulates the principle of distribution according to work in a socialist society. Article 46 of the Labour Law stipulates that wage distribution follows the principle of distribution according to work and

equal pay for equal work. The Law on the Protection of Women's Rights and Interests also provides for equal pay for equal work in Chapter 4 Labour and Social Security Rights (Labour Law in China, 2009). The scope of the constitution is wider than the Labour Law and the Law on the Protection of Women's Rights and Interests. Thus, this research tries to investigate whether the "Equal pay for equal work" is well enforced in reality.

The significance of this research is to conduct a first-hand data collection from both female employees and employer perspective to understand the practical issues of gender-based payment equality in China, its actual influences on job satisfaction, and finally provide valid and reliable suggestions to organizations using payment equality to improve job satisfaction of female employees. Therefore, this research tries to fill the research gap to understand how gender-based payment equality influence job satisfaction and how to create a system to ensure the gender-based payment equality and job satisfaction of female employees.

### **1.3 Research question and research method**

This research aims to study the actual conditions of gender-based payment equality issues and job satisfaction of female employees in China, and the influences gender-based payment equality on job satisfaction for providing valid

suggestions to establish payment equality to improve job satisfaction. The research question is: "Will gender-based payment equality improve job satisfaction of female employees and how?"

For answering the research question "Will gender-based payment equality improve job satisfaction of female employees and how?", there will be some sub research questions for this study.

1. What are the conditions of payment equality from gender perspective in China?
2. What are the influences of gender-based payment equality on job satisfaction of female workers?
3. How could Chinese organizations to improve gender-based payment equality on job satisfaction of female workers?

The research plans to use qualitative strategy, and first-hand data collection to answer the research question. This research aims to understand the human perceptions on payment equality and job satisfaction, so it is a collection of subjective data. In order to understand the subjective data and the in-depth perception and experiences of female employees on the relationship between payment equality and job satisfaction, qualitative strategy is a good choice for subjective data collection and analysis (Saunders et al., 2012). The researcher

will interview both female employees and employers to collect their perception on gender-based payment equality and job satisfaction, the practical issues in gender-based payment equality, connections between payment equality and job satisfaction, and how to use payment equality to improve job satisfaction of female employees. The research aims to conduct both theoretical reviews and empirical studies on the influences of gender-based payment equality on job satisfaction of female employees in the Chinese labour market. The theoretical reviews would include the theories and models like Maslow's Hierarchy of Needs, Herzberg two-factor theory, Adams' equity theory, and dimensions of payment equality, for job satisfaction and payment equality to find the influential factors and connections between the two. The empirical studies would include first-hand knowledge on the Chinese organizations and workers.

The research objectives are:

- To review the current status of gender-based payment equality in China, and its influences on job satisfaction of female employees
- To identify the issues of gender-based payment inequality and causes to these issues
- To provide suggestions to Chinese organizations to improve gender-based payment equality and job satisfaction of female employees

#### **1.4 Future research direction**

The findings of this research indicate that the gender discrimination is a common experience to female employees. Female employees are not given equal opportunities for important jobs and proof of performances. The less opportunity to prove ability and performances limits the payment of female employees. Furthermore, female employees consider that it is difficult to change the perception that males are ought to be paid more. The gender-based payment inequality has become a common issue that causes the low job satisfaction rate. Financial payment inequality is only one aspect that leads to low job satisfaction. The primary results fill the research gap that whether they are appreciated and trusted about their ability and contribution to the company is the more severe issue to low job satisfaction. The reasons to the gender-based payment inequality rooted deeply in social, cultural, and political beliefs and concepts in China. The suggestions from the female employees are common agreements that the government should take the responsibility for the gender-based payment inequality, including to create the policy to compensate the company that hires young female employees during maternity leave for even the cost to realize payment equality, and to create the policy that makes male employees take the maternity leave as their wives are pregnant to realize payment equality. Therefore, the future research direction is to further research the female perceptions and reflections on gender-based payment inequality

and job satisfaction, and proposes the feasible suggestions to deal with gender-based payment inequality and job satisfaction.

### **1.5 Overview of the structure of the research**

The dissertation structures the research into five parts. Chapter 1 is the introductory chapter.

Chapter 2 is the literature review on the theories about the gender-based payment equality and job satisfaction, and the laws and practical conditions in China about the payment quality based on gender differences.

Chapter 3 is to explain the research design applied in the primary research, including the interpretivism research philosophy, the qualitative research strategy, sampling strategy, data collection and analysis, and ethical consideration.

Chapter 4 is to analyse the primary data collected from the female employees and employers to understand their perception on gender-based payment



equality in reality and their job satisfaction on the current conditions and provide suggestions to improve the payment equality system for better job satisfaction.

Chapter 5 is to provide conclusions on the theoretical and empirical researches and state the limitations of the research.

## **Chapter Two, Literature review**

### **2.1 Introduction**

The aim of this chapter is to provide a high-level analysis of the existing literature available on the topic of gender-based payment equality that will enlighten the researcher on the practical issues of gender-based payment equality in China and its actual influences on job satisfaction. The examination of the dissertation question necessitates a considerable understanding of gender-based payment equality etc. In order to do this dimension of payment equality system will be reviewed to enlighten the researcher in this area and to identify areas to be addressed in the primary research. This chapter also will use the psychological studies, such as Maslow's hierarchy of needs and the two-factor theory to understand the influences of motivation on job satisfaction, so that researcher could use these factors to design primary research questions. Finally, this chapter also will review the current status of gender-based payment

equality to help researcher understand the current conditions and problems of gender-based payment equality and design the primary research questions.

## **2.2 Dimensions of payment equality system**

For employees of the company, salary can not only achieve the employee's economic goals, but also promote his or her personal development and achieve self-improvement (Burney, et al., 2009). Salary is based on the employee's contribution to the company, reflecting the individual value of the employee. Based on the employee's contribution to the company, the company could pay the salary or other financial compensations (Currall, et al., 2005). In addition, as the initial distribution, salary is the distribution of the value created by employees through labour, and the salary income that employees receive by contributing to the company. The improvement of employee salary to a certain extent means the growth of corporate benefits, representing the common progress of employees and enterprises (Nicholas, et al., 2009).

Remuneration, including internal remuneration and external remuneration, focuses on the psychological remuneration of employees who are responsible for the relevant tasks and achieves the stated goals, which are reflected in career development and personal growth (Stringer, et al., 2011). External

remuneration includes direct and indirect remuneration. It also includes other non-economic rewards, which are listed as basic wages, performance reward, bonuses, and welfare subsidies. It is also reflected in the optimization of the office environment and holiday arrangements. A reasonable salary gap can promote employees to see their own work deficiencies, improve work input or work efficiency, optimize and enhance individual work skills to stimulate the incentives, and strive to obtain corresponding work by paying more at work (Stringer, et al., 2011). However, if the salary gap is too large, it not only could not achieve the purpose of motivating employees, but also could lead to performance issues. Because of the excessive salary gap, the salary cannot accurately and reasonably reflect the contribution value of employees to the organization, resulting in employees losing their enthusiasm for work. It is natural that they would feel unequal treatment (Burney, et al., 2009).

The review on the terms as salary and remuneration in the above section aims to provide a thorough understanding on the payment system. The researcher needs to review the studies on the payment system to understand how the payment inequality exists and how people are motivated for job satisfaction. The purpose of this section is to lay the foundation for the further researches on payment equality.

### **2.2.1 Payment procedure equality**

The equality of payment procedure is simply considering the employee's perception of whether the salary distribution result is fair. It is important for the company to explain the distribution process to the employees before the final salary result is presented, which means the equality of the salary distribution process (Gardner, et al., 2004). However, in the actual salary allocation process, the employee not only pays the salary. The equality of the salary distribution results is very concerned to the employees. They emphasize the equality of the distribution procedure and the distribution system. In some cases, even if the employee's final salary result is not very satisfactory, if he or she believes that the entire process of salary distribution is fair, the employee can agree with the final distribution result. Therefore, pay equity includes equality in the pay process (Currall, et al., 2005).

The equality of the payment process is reflected in the salary level formulation process and the compensation decision process on the theoretical level (Stringer, et al., 2011). When the employee approves the policy formulation process of the salary result distribution, the perception of the equality of the compensation process can bring more incentives to the employees, and further achieve the goal of institutional equality and self-equity in the salary decision process (Burney, et al., 2009). It also allows employees to understand the

salary setting standards and procedures in a timely and comprehensive manner, encourage employees to participate in the salary formulation process in a timely manner, listen to the opinions of employees, and strengthen the communication between the staff supervisors and employees (Gardner, et al., 2004). The creation of a fair procedure could help employees fully understand the salary structure through the communication of superiors and subordinates. Therefore, this procedure requires work plans, and establishes channels for employees to reflect problems to ensure that after the implementation of the system, employees' questions or concerns about the salary setting process can be addressed to the responsible manager (Stringer, et al., 2011).

The review on the payment procedure equality aims to understand the payment equality from procedure perspective. In the primary research, the researcher would try to collect the payment equality from different perspective, and evaluate how the female employees understand payment equality from procedure perspective and analyse the influences of procedures on payment equality and job satisfaction.

### **2.2.2 Payment distribution equality**

Salary distribution equality refers to employees' reasonable perception of the salary structure and salary growth mechanism. When employees compare their

efforts and contribution with the rewards they receive, they would feel unfairly treated when they find that they are paid unfairly. The equality of salary distribution can be reflected by three aspects, similar work in the labour market, different work within the organization, and similar work within the organization (Chepkwony and Oloko, 2014).

The comparison with the similar work outside the organization is a horizontal comparison between the salary of the organization and the salary of the same industry organization in the market. It means the comparison of the competitive advantages of the salary level in the labour market. The comparison of different jobs within the organization is based on the vertical comparison of the internal payment system of the organization. It means that the payment of salary should comprehensively consider the work content of the employees and the operational and technical requirements for the work, and the contribution to the realization of organizational goals and strategies (Abeler, et al., 2006). The comparison of the same job requirements and responsibilities within the organization is whether the salary income of the employees in the same organization matches the value created for the organization. This means whether the salary obtained by the employees engaged in the same position in the same organization is compared to be fair, which is the balance between pay and return. In general, the equality of the results of salary distribution includes

both the balance of the absolute amount of compensation and the equality after vertical and horizontal comparison (Baldrige, et al., 2015).

The review on the payment distribution equality aims to understand the payment equality from distribution perspective. In the primary research, the researcher would try to analyse the payment equality from this factor to evaluate how the female employees understand payment equality in terms of the distribution system and analyse the influences of distribution on payment equality and job satisfaction.

### **2.2.3 Payment interaction equality**

The equality of salary interaction mainly refers to the fair perception of the interpersonal interaction between employees and managers in the process of salary management. It is reflected in the actual implementation of the salary system (Baldrige, et al., 2015). The perception on payment equality is also influenced by the interpersonal treatment in the process of interpersonal interaction with leaders and colleagues, including the degree of sincerity of employees from management and colleagues in the process of communication (Abeler, et al., 2006). Furthermore, in the preparation and follow-up of the salary system, whether the employee's personality and dignity can be fully and fairly

treated, and the implementation is not conducive to employee salary are critical factors to impact the equality perception. When making institutional decisions, the supervisor can fully explain the salary system and employees to achieve two-way communication. Therefore, the communication channel for complaints and misunderstandings of different levels of employees is significant to the payment equality.

The payment interaction equality aims to understand the role of interaction in the payment equality. In the primary research, the researcher would try to analyse the perception of female employees on how interaction in the work environment would influence payment equality and job satisfaction.

#### **2.2.4 Payment equality and payment gap**

The payment gap is an inevitable fact to study in the reality of the creation and implementation of the payment system. The existence of the salary gap is meaningful to the operation of an organization (Grant, 2012). The internal salary gap among employees needs to be reasonably maintained, which is conducive to employees seeing their own work deficiencies, or whether their work is less invested, or their work efficiency needs to be improved, work skills need to be updated (Castellano, et al., 2017). In short, proper design of



payment gap can promote employees to find their own insufficiency, and then play the role of motivating employees to work hard. By paying more work at work, they are seeking to obtain corresponding labour compensation. However, if the salary gap is too large, it might not only not achieve the purpose of motivating employees, but also because of the excessive salary gap, the salary cannot accurately and reasonably reflect the contribution value of employees to the organization, resulting in employees losing their enthusiasm for work, and a dissatisfaction with the unequal pay (Grant, 2012). Salary is based on the contribution of employees to the work of the company, which reflects the personal value of the employees. Therefore, the perception of pay equity affects the employee's satisfaction with the salary to a certain extent, which leads to action, choose to treat the work negatively, or reduce the amount of work input, or the choice to leave the organization. As a result, it has a direct impact on the occurrence of employee turnover. Therefore, it is an important subject for organizations in all fields to be able to reasonably control the salary gap and ensure the equality of payment (Castellano, et al., 2017).

There is a clear connection between the company's internal payment equity and the employee's turnover intention (Amado, et al., 2018). When employees compare their own work inputs and outputs, they find that there is an unfair perception when the input and output are not balanced (Burdett, 2016). In order to eliminate this sense of inequality, employees may change their previous work

performances to reduce their investment into the company, and even there are employees may choose to leave the organization to improve their sense of equality. When employees compare their performances and contributions with the rewards they receive, and find that the pay gaps and the equality of pay distribution, they must have a feeling of unfair treatment, which further leads to the idea of leaving the company (Amado, et al., 2018). The salary system setting procedure is also important to the perception of employees to the pay equality, which would impact their sense of leaving the company. Employees emphasize the equality of the procedure in the process of specific salary allocation. When the salary distribution process is approved, the perception of equality in the salary process can give employees more incentives to further achieve the goal of institutional equality and self-equity in the salary decision process (Yanadori, et al., 2018). Conversely, the unfair perception will also have a negative impact on turnover intentions. The equality of pay interaction means the fair perception of the interpersonal interaction between employees and managers also has a role in pushing employees leaving the company. If employees do not receive due respect and trust in the process of interpersonal interaction with their leaders and colleagues, they will also have the idea of leaving the company (Pieper and Trevor 2016).

The analysis on the above section provides a review on the connections between payment equality and payment gap and the consequences of payment

gap. It is helpful for the researcher to understand the payment gap in the primary research and could use the reviews to analyse the primary research data from the female employees in terms of causes to job satisfaction and influential factors to the payment inequality.

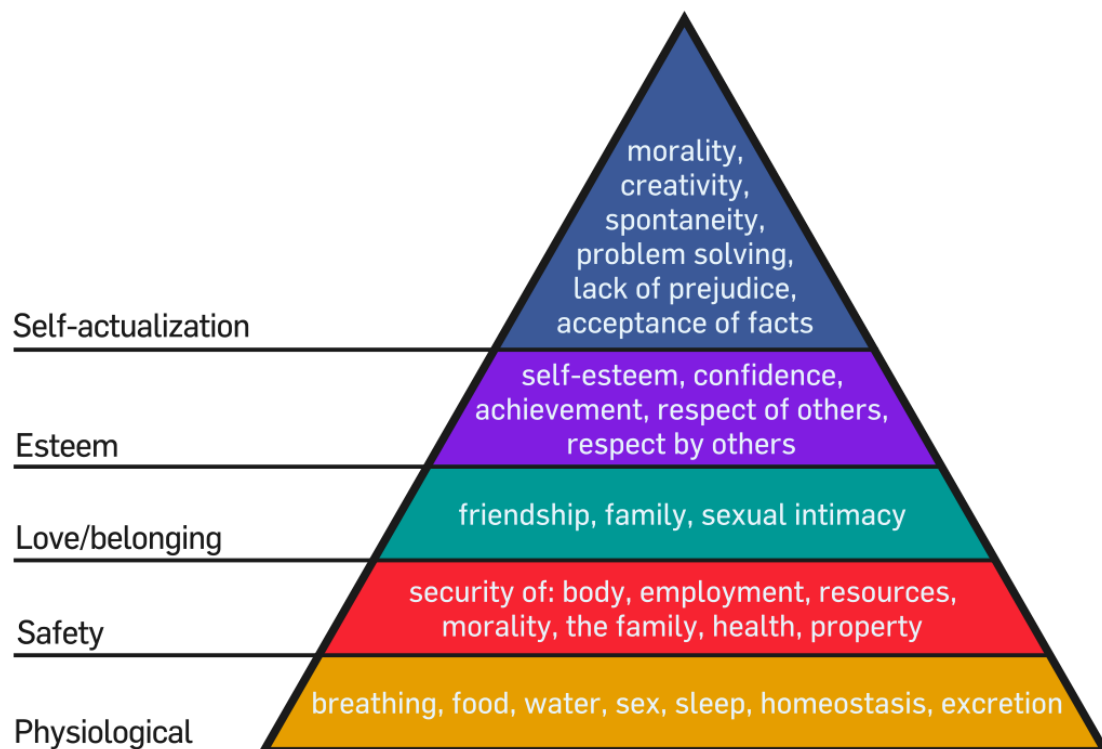
### **2.3 Job satisfaction**

Hoppock, (1935) proposed in Job Satisfaction that job satisfaction is the subjective reflection of employees' psychological and physiological feelings about their environment and the content of their work. Schultz (1982) defines job satisfaction as people respond to their psychological perceptions of work through attitudes and their associated performance. Hellriegel, et al., (1999) define, the satisfaction that employees receive from their work. Whether you love work or whether work makes sense is an indicator of satisfaction. Weiss (2002) explains the positive or negative evaluation of employees' work or work status. The reviews on the study of job satisfaction lay a foundation for the study of psychological factors influencing job satisfaction. In the psychological studies on job satisfaction, the theory of needs are the basic theories to understand the motivation for people to evaluate the current job (Wei and Bo, 2014).

The psychologist Maslow (1954) built a hierarchy of needs, arguing that people of different nationalities, social classes, and cultural backgrounds all share the same pattern of demand. This hierarchy of needs is divided into five levels,

physiological needs, safety needs, love and belonging needs, esteem needs and self-actualization. These five kinds of demand are organized from low to high, step by step, but the order is not constant and can be crossed. Under certain circumstance, a certain level of demand is in a dominant position. And in a natural order, only when this level of demand is satisfied, a higher level of demand will appear, and it will show its incentive effect/no need for any kind of demand. It disappears due to the development of higher-level needs, but the degree of influence on behaviour is weakened. The higher the level of demand, the more difficult it is to meet (Maslow, 1954).

Figure 1 Maslow's hierarchy of needs



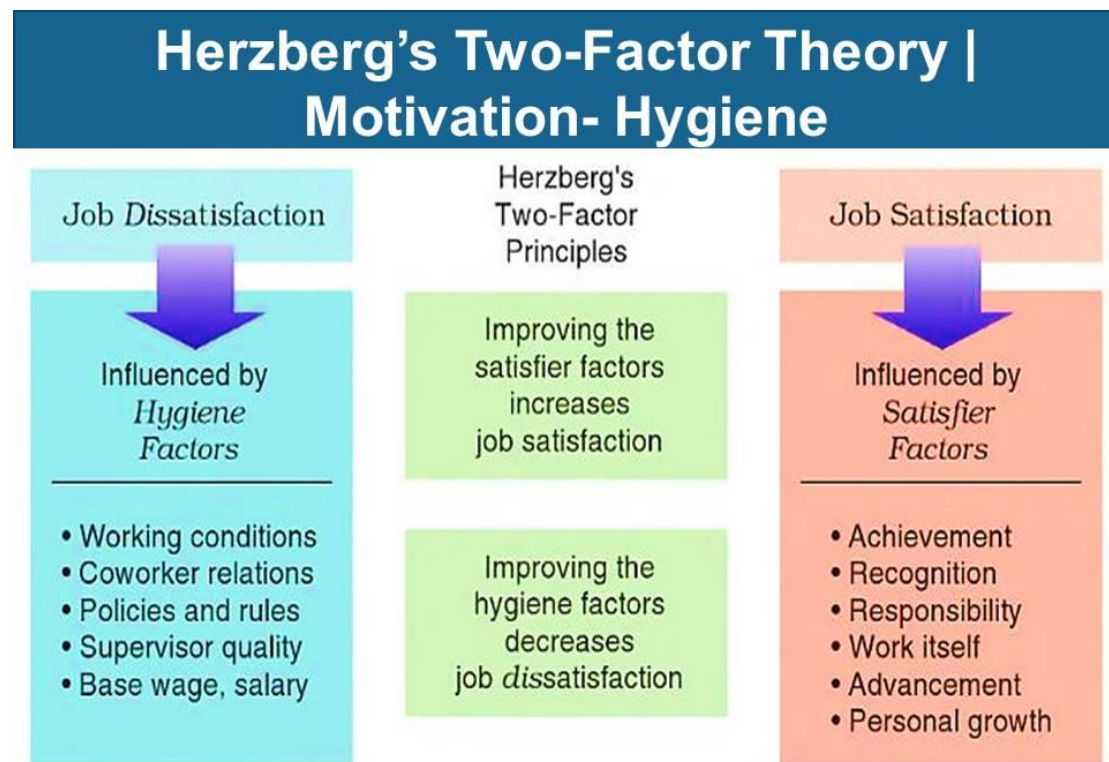
(Maslow, 1954)

Herzberg et al, (1959) proposed the two-factor theory. Through research, it was found that the working environment is a factor that causes employees to be dissatisfied, and the employees are usually satisfied with the factors related to the work itself, so Herzberg defines this observation as the two-factor theory, hygiene factors and satisfier factors. Herzberg concludes that the satisfier factors affecting employee satisfaction are the internal emotional factors that make employees feel satisfied and get incentives, and the hygiene factors are the external management systems, environment and interpersonal relationships, etc. that make employees dissatisfied and less motivated. The factors that cause dissatisfaction among employees are mostly external material needs. If the satisfaction of these factors is different from what employees expect, employees will be dissatisfied. Therefore, the expectations of employees on the external factors determine the job satisfaction (Herzberg et al, 1959).

The two-factor theory prompts the managers of the company about how to understand the influential factors to job satisfaction. If the company wants employees to be motivated at work, the company must develop a functional and suitable system to satisfy employees with a thorough understanding on employee expectations and needs. These two types of factors have different incentives for employees. The satisfier factors only reduce the negative

emotions of employees and does not play an incentive role. The hygiene will stimulate employees to actively participate in the work, and work efficiency and the performance of employee will increase (Oscar, et al., 2005).

Figure 2 Herzberg's Two-Factor Theory



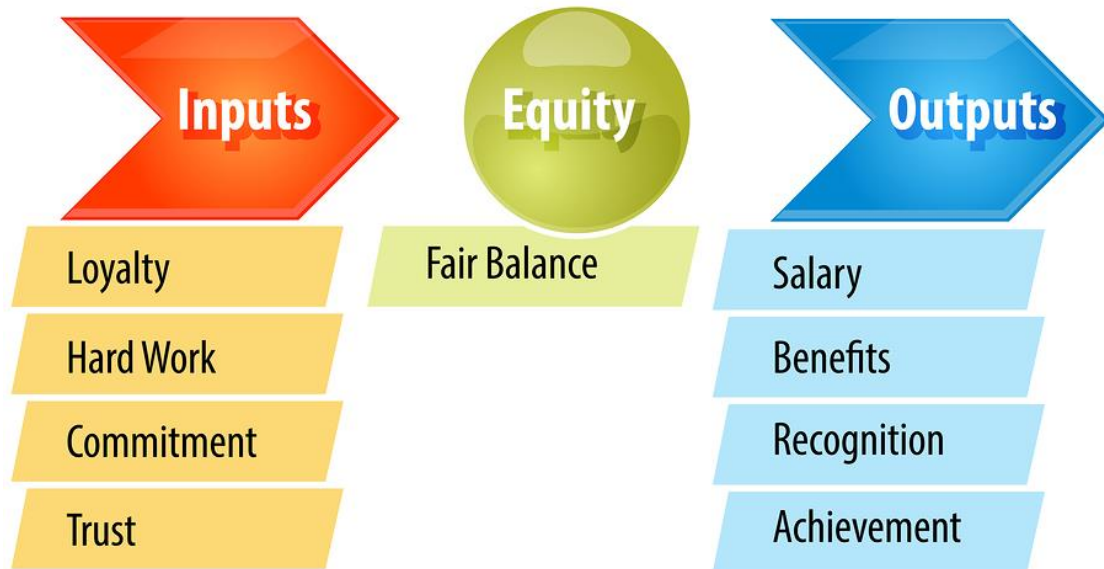
(Herzberg, et al., 1959)

Adams (1963) proposed the equity theory, which is an incentive theory for studying the relationship between human motivation and perception. He believes that a person does not only care about the absolute value of the individual's reward, but also the relative value of the reward. Employees will compare the rewards of the work with others will be based on the individual

work content, personal ability, paying, etc., especially when the colleagues in the same position, classmates, friends, etc. Employees personal analysis and reflection on the differences of reward and payment among the people in the same payment level would determine whether the reward is fair, the comparison results will directly affect the employee's job satisfaction (Yanadori, et al., 2018).

Adams (1963) believes that employees set up one or more reference objects for comparison within a certain time and within a certain range. If the payment level of the employee is higher than the reference objects, he or she will work harder. If the payment level of the employee is lower than the reference objects, he or she will lose the incentives and become unhappy. The theory of equity reminds managers of companies to pay attention on the payment system management. Firstly, the human resource management must attach great importance to the positive relationship between workload and job compensation. Equal salary and performance can balance employees' psychology, increase satisfaction, and stimulate the performance of employees. Secondly, for some employees' emotional problems, managers should conduct appropriate conversation counselling, strengthen their perception on the current payment system, and deal with the unfair problem (Goodman and Friedman, 1971).

Figure 3 Adams' equity theory



(Adams, 1963)

The review on the above theories aims to understand the influential factors to the job satisfaction. The research aims to understand the influences of gender-based payment equality on job satisfaction of female workers, so it is important to understand the influential factors to job satisfaction in general. With the integration of the theories reviewed in the payment equality, the researcher could design the primary research questions to evaluate the aspects of payment equality and job satisfaction.

#### **2.4 Gender-based payment equality reviews**

The gender-based payment inequality is originated from the gender discrimination. There are historical and cultural reasons for the emergence of gender discrimination, such as the tradition of patriarchy in China (Huang



and Gamble 2015). There are also economic reasons, such as employers who believe that hiring women will increase the cost of labour, and people's prejudice and ignorance about the ability of women, such as the belief that women is "long hair, short-sightedness". Because of the historical accumulation of gender discrimination, many stereotypes of the social roles of men and women at different stages of human social development have been deposited. In gender judgment, male superiority and female inferiority have coexisted for a long time. This chapter would discuss the issue of gender discrimination in women's employment in China from the economic, social and legal systems (Wei and Bo, 2014).

Gender discrimination in recruitment is mainly reflected in three aspects, different remuneration for the same position, different treatment for the same requirement, and refusal or raising standards to prevent women from getting jobs (Chi, and Li, 2007). All these aspects lead to payment inequality in China. Women have to take more responsibility and provide better performances to get equal pay or equal promotion opportunities (Lin and Gunderson, 2014). The gender discrimination in training and promotion is a critical aspect to understand payment inequality. The opportunity to obtain vocational training for society and enterprises are leaning far more to men than women. There are also more high-end training resources allocated to men over women. Women's choice of career and job promotion is like having a visible but unbreakable glass

ceiling that isolates women at lower levels and positions, so women are mostly in supportive, or ancillary work (Chi, and Li, 2007).

The human capital theory of neoclassical economics holds that employers and employees are rational people, and the labour market is efficient (Lin and Gunderson, 2014). Employers try to achieve profit maximization by increasing productivity and reducing costs. Employees pursue well-paid jobs under conditions of personal endowment, constraints, such as child care, and personal preferences (Lin and Gunderson, 2015). Under this premise, employers will conduct more detailed cost-benefit considerations when hiring female employees. Most employers believe that the employment of female workers has certain externalities. The extra cost of hiring women means that employers would suppress the implementation of payment equality (Lin and Gunderson, 2013).

Female labours face a series of problems such as marriage, childbirth and breastfeeding, which means there is a natural attachment cost to hire women (Lin and Gunderson, 2014). China's Labour Law stipulates that during the period of maternity leave for female employees, wages need to be paid out, and employers need to pay direct costs for this (Lin and Gunderson, 2013). At the same time, the employer must also bear the cost of the female employee's leave and vacation, which leads to the vacancy of the position. This is the most

direct reason for the employer to use the female worker with caution. In the current market economy, labour in organizations is the only market-recognized labour. Family labour, such as having children, and doing housework, does not have market value and cannot bring market benefits (Lin and Gunderson, 2015). On the contrary, this part of the labour without market value will always occupy a certain amount of time and energy of women. Companies that pursue profit maximization will naturally not be willing to accept this gender loss. Therefore, the rational organizations will tend to hire a male labour force after comparing the cost-benefit of men and women (Chi, and Li, 2007). On the other hand, the fertility problem has caused female employees to have a broken career path life a certain period of time. Longer interruptions can reduce the actual ability of employees to work, and it is difficult to avoid depreciation of human capital. Since the wage level of the returnees after childbirth cannot be lower than the level before the birth, this imposes a burden on the labour costs for the employer. Therefore, the additional cost of women to the employers lead to the payment inequality from the economic perspective (Wei and Bo, 2014).

Social capital is a resource that is compiled from a social network that helps individuals or groups of people achieve their goals (Kuhn and Shen, 2013). Its social function is manifested in the fact that while the network supports each other and benefits, there are also effective constraints among members (Kuhn and Shen, 2013). Mutual support, reciprocity and collaboration can silently

regulate social order and adjust the stability and harmony of society. The social capital of women is far less than man in China. Women's average level of education is lower than that of men, resulting in their social capital is generally lower than that of men. It is generally believed that the higher the level of education, the higher the average level of individual ownership of social capital, and the salary payment and professional life would be much better. Well-educated individuals are often able to access rich resources, high social circles and groups, thereby making it easier to access social resources and benefit. Women increase social capital through marriage, but the cost and risk of this increase are large (Lin and Gunderson, 2013). Married women can share their social network resources and increase their social capital. Unfortunately, they have taken on more family roles and placed their main energy in the family, while the time and enthusiasm for focusing on work are decreasing (Kuhn and Shen, 2013). Naturally, the investment in its social network will also be greatly reduced. This would greatly impact the potential and commitment of women at work for equal payment. Even some women interrupt their work while raising their children, leading to a gradual deterioration of professional and work skills, alienation from social networks, and a decline in social capital. The deep-rooted concept of traditional culture has weakened women's career initiative. In the past thousands of years, the Chinese society has formed a more stable and universally recognized social mainstream consciousness on the masculinity and male superiority. Employment motivation and career development

expectations of women are lower than men, so the society has a common sense about paying more for men than woman (Lin and Gunderson, 2015).

From the perspective of legislation, the existing legal content is not perfect for payment equality. In terms of equality of rights, the Labour Law has only made the most basic provisions, and most of the provisions are general and not so specific to target the gender-based payment equality issues. In some specific details, such as the age, gender, and marital status of the company's corresponding employees, there are no clear regulations in the law (Lin and Gunderson, 2013). At present, China's labour market is still a buyer's market. Employers occupy almost all the right to speak. They can freely formulate rules of the game in the blank space of the law. In terms of the law, there is no specific legislation. Only in the Law of the People's Republic of China on the Protection of Women's Rights and Interests, men and women are equal in employment and equal pay for equal work. This makes the organizations not be motivated for equal payment (Huang and Gamble 2015).

Judging from the scope of application of the legal provisions prohibiting employment discrimination in China, the regulations are quite narrow. China's labour law focuses on the relationship between laborers and employers who have established labour relations, and the relationship between the workers in the job-seeking stage and the employers in the recruitment stage is rarely

involved. The protection of rights and interests is not covered in legislation (Lin and Gunderson, 2015). In addition, the corresponding punishment means is not strong enough. The Labour Law has enacted relevant provisions on illegal punishment. It mainly investigates civil liability for administrative liability and compensation for damages in the market, and takes measures such as correction, administrative sanctions, and fines. All these terms are only valid for government agencies and state-owned companies that have administrative preparations. The law does not set clear standards for the number of fines and civil compensation, and the damage of employment discrimination is difficult to measure and define. It lacks clear standards and is difficult to operate. Therefore, it is difficult to realize payment equality in reality due to the lack of specific terms in law and regulations for women to protect their interests and rights (Kuhn and Shen, 2013).

The above review aims to lay a foundation to understand the current studies on gender-based payment inequality, including gender discrimination, problems that the female labours are facing in China, and the legislative studies on protection of gender-based payment equality. This section tries to answer the research question of “What are the conditions of payment equality from gender perspective in China?” The review of this section could provide solid knowledge to understand and interpret the primary research data from female employees about the payment equality from gender perspective in China.

## **2.5 Conclusion of the literature discussion**

This chapter is divided into three parts besides introduction and conclusion. The first part is the review on the dimension of payment equality. In this part, it tries to have a solid understanding on the factors that influence the payment equality. The theories and studies in this section is helpful for the researcher to design the primary research questions. It provides detail aspects to understand the influential factors to the payment equality. Therefore, the first step of the primary research is to investigate the opinions and reflections of female employees on payment equality. The second part is the theoretical reviews on job satisfaction. This section focuses on the theories relevant to job satisfaction from psychological perspective. The purpose of this section is to understand the influential factors to the job satisfaction. It could be helpful with the integration of the theoretical reviews on payment equality to design the primary research questions. Therefore, the second step of primary research is to investigate the opinions and reflections of female employees on job satisfaction. The third section is the general review on the current studies on gender-based payment equality. The purpose of this section is to understand the conditions of gender-based payment equality in general and in China. It could answer the

research question of “What are the conditions of payment equality from gender perspective in China?”, and it is also helpful for the primary research analysis.

## **Chapter Three, Methodology**

### **3.1 Introduction**

This chapter is to provide a detail explanation on the research design of the primary data collection process. The research explains the reasons to use interpretivism philosophy for understanding the subjective data collected from female employees. The logic process of the research design is inductive reasoning. The research collects opinions from limited samples to make conclusions that could be used as references in a wide field. The research strategy is qualitative strategy for collecting subjective opinions and data from human perceptions and behaviours. The data collection method for qualitative strategy is interview. The research chooses semi-structured interview to collect information from female employees. Finally, the researcher also lists the ethical consideration during the primary research process.

### **3.2 Research philosophy**

The main concepts of interpretivism can be summarized into the following features. First of all, interpretivism recognizes the existence of individuals and



argues that the world does not have universal laws or structures (Ahmed, et al., 2012). Secondly, the core content of interpretivism is understanding and perception. Thirdly, interpretivism emphasizes the integration of the understanding process (Ahmed, et al., 2012).

According to Chatterjee, (2013), the philosophical view of the interpretivist methodology holds that the world does not exist objectively and independently of human beings, but is constituted by human interpretations. Science is not limited to describing facts as positivists believe, but must organize and conceptualize the facts. Therefore, the world does not exist objectively, but exists being interpreted and described by human beings (Saunders, et al., 2011).

This research uses interpretivism as the research philosophy for understanding the research question of payment equality and job satisfaction, because it requires human interpretation on the research issue, and the interpretation of the researcher on the collected data. The angle of interpretation is critical to determine the research results and the quality of the research process and results. This research uses interpretivism for selecting the proper theories and models in the research scope of payment equality and job satisfaction, such as the dimensions of payment equality, the Maslow' needs theory, and gender-based payment equality reviews, and the perspective to analyse the primary

research data. Therefore, interpretivism is applied to processing the whole research process and results.

### **3.3 Research approach**

As outlined by Saunders, et al., (2011), deduction is inseparable from induction. First, induction is the basis of deduction. Deductive methods are generally premised on conclusions drawn by induction. Deductive premises, including patterns, laws, hypotheses, etc., are the results of observation and analysis. As discussed by Saunders et al (2011), deductive reasoning method cannot provide a theoretical foundation for research, so it requires the fundamental theory through the analysis and study of single fact, matter, event and phenomena by induction in advance. Only by integrating and summarizing on the basis of induction, deductive reasoning could form the logical starting point of logic thinking. The starting point of a deductive argument is either extremely abstract or merely regarded to be derived from the logic of thought. In essence, it is through a large number of objective facts, events, and phenomena, the inductive reasoning could draw concluded and analysed results (Saunders, et al., 2011).

Through the analysis of the relationship between induction and deduction, the conclusion is that induction and deduction are inseparable and closely related. However, this conclusion is that the intermediary could achieve the inductive

and deductive unification, and reached a unified method for the two logic reasoning approaches (Heit and Rotello, 2010). Induction and deduction are opposite thinking processes respectively. Both one-sided views have insuperable limitations. From the point of view of the finiteness and infinity of knowledge, the knowledge of truth needs to go through the process of induction and deduction. The development of things itself has the unity of finitude and infinity (Heit and Rotello, 2010).

This research uses inductive approach for the logic reasoning of the primary research design. The research starts with the theoretical reviews on payment equality and job satisfaction and use the theoretical reviews as the foundation for the primary data collection and analysis. This process is deductive reasoning for selecting general theories for specific Chinese female employee group data collection and analysis. Thus, this research starts with deductive reasoning, but the primary research data collection and analysis process is inductive reasoning. The research uses the knowledge concluded from the theoretical reviews to design the primary research process, including how to contact the female employees, how to design and ask questions to the female employees, and how to analyse the data into themes that fit into the theoretical reviews on payment equality and job satisfaction. The research aims to conclude the primary data from female employees to provide research results that could be generalized for further references of developing proper payment

system to improve payment equality. Thus, the logic process of primary collection is inductive reasoning.

### **3.4 Research strategy**

Qualitative and quantitative are the two common strategies for academic research. Qualitative research focuses on the study of subjective research topic from human beings, including human behaviours, human perceptions, human experiences, and other human psychological factors. Therefore, as outlined by Saunders et.al (2011), qualitative strategy is mostly applied sociological researches to understand the fields with human engagement and participation. The qualitative strategy usually includes interview, questionnaire, field observation, and other methods that is beneficial to collect subjective data. The advantages of qualitative strategy are to reveal the in-depth opinions, motivations, and causal relationship of subjective factors in a dynamic context. The disadvantages of qualitative strategy are that it could not use measurable data to analyse the quantifiable data for convincing the readers, and qualitative research process is not easy to repeat for its dynamic research background (Saunders, et al., 2016).

Quantitative research is another common strategy for academic research. Different from qualitative research, quantitative research focuses on objective

data for discovering facts and development of facts in sociological and scientific research. Quantitative strategy usually collects measurable data from a scientific design of the data collection process. The data collection methods for quantitative research are questionnaire, tests, laboratory experiment, and other ones for objective data. The advantages of quantitative research are to reveal the facts to verify the hypothesis proposed in the research objectives, and the research design of quantitative research could be repeated so that the research results could be tested and verified. The disadvantages of quantitative research are that it could not reveal the in-depth analysis on the causal connections among factors with human participation and engagement, so the quantitative research process could not be verified in a dynamic research context (Saunders, et al., 2016).

Based on the above analysis, this research uses the qualitative research for collecting and analysing research data from female employees about the payment equality and job satisfaction. The reason to use qualitative research is that the research collects subjective data and requires the in-depths analysis on the perceptions of female employees on payment equality and job satisfaction. Based on the interpretivism philosophy, the research requires the interpretation on the perceptions of female employees for in-depth analysis. The research topic of the payment equality and job satisfaction is in a dynamic

research context with human engagement. Therefore, qualitative research strategy is suitable for this research.

### **3.5 Data collection and sampling**

Among the qualitative research strategy, the research chooses interview as the data collection method. As outlined by Saunders et.al (2011), interview is one of the most suitable methods that are used for collecting in-depth data from people. Interview method could collect subjective opinions from people and observe the attitude and reactions of the participants for in-depth data collection and analysis. Among the interview method, there are three different types, group interview, in-depth interview, and semi-structured interview. This research chooses semi-structured interview for interview data collection. The benefits of semi-structured interview are that it meets half way of the other interview types. It requires the pre-design of the interview questions based on the theoretical reviews and a pre-design interview schedule. At the same time, semi-structured interview also allows researchers to adjust the interview questions and schedule based on the reactions and responses from the participants (Saunders, et al., 2016).

The research designs 10 interview questions based on the theoretical reviews on the payment equality and job satisfaction, and the interview duration is around 25 to 30 minutes. The research implements the interview design based on the snowball sampling strategy for its convenience and effectiveness to find suitable candidates (Pattison, et al., 2013). The reason to use the snowball sampling strategy is the limited resources for the specific target research group. The researcher uses the connections with family members, friends, and classmates to contact the female employees that have the working experiences to understand the process of payment system, factors influencing job satisfaction, and the conditions of payment equality. The participants do not have previous contact with the researcher to ensure the validity and reliability of the research results. The collected sample number is 16. The interview is collected through online chatting software, such as WeChat and FaceTime, and the interview is recorded in audio for interview transcript organizing and analysing.

### **3.6 Pilot interview**

In order to make the interview process smooth and effective, this research conducts a pilot interview to understand whether the interview question and schedule design is practical for obtaining useful data. The researcher asks a female friend that has more than 5 years of working experiences in China. The

interview with the female friend is very productive. The key issue is to explain the payment equality dimensions in detail and its relevant aspects in human resource management activities. And the researcher also finds the question “What is the payment system in term of equality in your current company?” could not provide effective information, so the researcher eliminated this one and adds a question to understand their opinions on the reasons to the gender-based payment equality in China.

### **3.7 Ethical consideration**

The research follows the ethical standards about informing candidates properly and privacy protection during the interview with the participants. All candidates would be well informed about the purpose of the interview and the research topic. The detail explanation on the research process and objectives is critical to protect the interest of the interviewees. The safety and health of the participants is a primary concern to the researcher, so the privacy protection is the first ethical requirement in this research. The interview design would not reveal any private information of the participants, and all participants would stay anonymous in the findings and analysis part of the dissertation. The participants are duly informed about the nature and topic of the research. They are allowed to stop the interview at any time that they want to. All the audio recordings would



be encrypted during the dissertation composition and deleted after the composition (Maxwell, 2012).

## **Chapter Four, Findings and Analysis**

### **4.1 Introduction**

The purpose of this chapter is to present and analyse the data from the primary research. It will outline and deliberate on the data from the interviews before examining these findings in the context of the dissertation's literature review. From the 16 number of interviews conducted, a range of pertinent data has been gathered. The data will now be presented and analysed in categories of perception on payment equality, perception on job satisfaction and payment equality, and reasons to gender-based payment inequality and suggestions to payment equality.

### **4.2 Perceptions on payment equality**

In analysing the data from respondents' replies to the perception on payment equality, a strong theme emerged in that all respondents state that they have experienced gender-based payment inequality. Their experiences could be analysed into several aspects. The first is the payment procedure when it is

relevant to the bonus or performance payment to answer the question “Do you think payment procedure would influence payment equality? How?”. Most companies could distribute financial rewards or bonus according to the performance of employees, so the performance evaluation is critical to payment equality. The issue stated by the female employees is that they are not given good opportunities or tasks to show their performances and abilities. Compared with male employees, female employees feel that they are not equally treated in terms of opportunities for performance showing. The uneven procedure to assign opportunities is the source to the gender-based payment inequality, which shows similar results as the studies from Gardner, et al., (2004), and (Currall, et al., 2005)

Interviewee 1 states, “The most memorable experience of gender-based payment inequality to me was when I was competing with two male colleagues to charge a part of a big project. It was not a big task, but I could gain a certain amount of bonus that was really important to me in that time. I was more experienced and with a better professional background, but I lost. The reason given to me was that running the project would cause me a lot of overtime work, and my supervisor did not think I could be committed to overtime work, and he had doubts that I could keep my performance when there were stresses at a management position. From this experience, I know that male workers are

more trusted for committing over-time work and performances at a leading position. It is really not fair.”

The second theme is that then the performance payment or bonus in the company is task-oriented, it is a common phenomenon that female employees are not given fair opportunities. Apparently, male employees are given more opportunities than female employees. Especially, when there are tasks that require overtime work, it is a common knowledge to choose male employees over female employees. This unfair treatment on the distribution of tasks lead to the gender-based payment equality. This is similar to other in equalities in the promotion opportunities that could influence the payment gap between female employees and male employees. The interview results agree with the theoretical reviews on payment distribution equality from Chepkwony and Oloko, (2014), Abeler, et al., (2006), and Baldrige, et al., (2015).

The third theme is the unequal working environment from the question of “Do you think payment interaction would influence payment equality? How?”. Most interviewees have expressed the unequal working environment and its influences on payment inequality.

Interviewee 4 states, “I think the most severe inequality I experienced is the promotion opportunities. I have worked in three companies, and from my

experience, all of them favour man over women when there are promotion opportunities. I think the gender-based payment inequality is mostly reflected on the promotion opportunities. In my professional life, I have lost at least three opportunities for promotion that would make a significant difference on my career development and salary improvement. I have known many of my female colleagues leaving the company for other companies that treat them more equally or just quit for being housewives. The unequal promotion opportunities and unequal working environment to female workers are all reasons to the payment inequality in China.”

As Interviewee 4 states about the unequal working environment, there are also other interviewees expressing the working environment that causes the payment inequality. During the interaction with supervisors, most supervisors are men, and they are more likely to social and interact with male employees for providing guidance and giving more trust on mistakes and errors. The interaction in the working environment is critical because the performance payment or bonus is largely dependent on the assessment from the supervisors. When female workers are given less opportunities to social and interact with the supervisors, it is less likely for the supervisors to know their ability and performances, which would lead to payment inequality.

Interviewee 9 states, "I think I have experienced the gender discrimination in my past two companies. Mine supervisor socialized and interacted with male employees more often. He paid more attention on the male employees to understand whether they need supports and resources from him to complete the task assigned. When I asked him for help or guidance, I could clearly feel the different treatment. The annual assessment also showed different evaluations from him on male and female employees, even I think I have better performances. This working environment is the reason that I left that company."

The interview results fill the research gaps of Baldrige, et al., (2015) and (Abeler, et al., 2006), because it provides detail facts about how female workers being left out in the communication with the supervisors and the gender discrimination presented in the communication environment, which lead to payment inequality.

From the interview results, all female employees have expressed their experiences on gender-based payment inequality. The payment gap has been an obvious issue to the unfair treatment to female employees. According to the interviewee 11, the payment gap of female high-level executives is more convincing. In a company, when female and male executives are at the same level, female executives are paid less.

Interviewee 11, “I am a high-level executive in a middle-sized company in charge of administration and customer service. My salary is 10 to 15% less than the high-level executives in charge of finance and the high-level executives in charge of operation. I have chatted with my friends that share the similar positions. It is common knowledge that female executives are paid 10 to 20% less.”

The last theme on gender-based payment gap is concluded from the question of “As a female, what do you know about gender-based payment equality in China?” The interview results fill the research gap of the specific differences between male and female at a high executive level, which is not studied from the researches of (Castellano, et al., 2017) and (Grant, 2012).

Therefore, from the perspective of payment distribution, the interview results show that female employees are not given fair opportunities for the tasks that could gain better payment. The unequal distribution of the tasks and assignment is one of the causes to the gender-based payment inequality. From the perspective of payment procedure equality, the interview results show the unfair promotion and raise opportunities. Female employees are face less opportunity for promotions. In the competition for promotion opportunities, all interviewees have stated their experiences losing to male employees due to the gender discrimination on performances and commitment. From the

perspective of interaction equality, the interview results show that the unequal interaction with the supervisor is the reason to payment inequality. When female workers have less opportunity to obtain supports from the supervisor for better performance or less opportunity than male peers to show their ability in front of the supervisors, the assessment would not reveal their ability, performance, and potentials, which would finally lead to the payment inequality. In term of payment gap, it is obvious in the high-level executive payment. According to the interview results, female executives are paid 10 to 20% less than male executives. These are the four themes concluded from the interview results. The themes support the theories reviewed in the literature review, but fills the research gap of specific cases and details on the treatment of female employees received from these four aspects.

#### **4.2 Perception on job satisfaction and payment inequality**

Job satisfaction is reviewed in the literature review from the aspects of needs and motivation factors. The interview designs questions about the relationship between job satisfaction and payment inequality, "As a female, what extent of payment equality would influence your job satisfaction? Could you elaborate? In terms of levels of needs, what factors regarding payment equality and payment gap would influence job satisfaction? In terms of motivations, what

factors regarding payment equality and payment gap would influence job satisfaction?” What are your experiences of gender-based payment equality in your work experiences and the connections with job satisfaction and turnover?”.

According to the interview results, female employees have listed many payment inequality issues that would influence job satisfaction, including the unfair treatment for promotion and raise opportunities, unfair evaluation on the performance of female employees and male employees for payment equality, and the huge pay gap between female and male employees at the same level.

Interviewee 3 states, “I think payment inequality in my last company is the reason that motivates me to quit the job. I was a middle level manager and competing with a male colleague. Even I have contributed more revenue, I still lost. The reason given to me is that the company is afraid that my marriage and possible pregnancy in the future would influence my performance at a higher position. Even though I promised I did not have plan to get pregnant in at least three years, they did not trust me. It is a total gender discrimination, and made me really unsatisfied with the company.”

Interviewee 7 states, “The gender-based payment inequality is the reason that I am not so motivated to compete with male colleagues for promotions and raises. The pay gap is a common knowledge in HR. They tend to give more



money to male employees because they are regarded as the role to support the family, and female employees do not have the burden, so naturally the salary level and the bonus level would be lower than the male employees. It is the working environment that I could not change. This perception makes me having doubts about hard working, and really not satisfied with the company.”

Interviewee 14 states, “I am a HR manager, and I think the key to job satisfaction is whether all employees were treated equally, and there is a future to the job. To my knowledge, most female workers do not have the same treatment or opportunities. However, if the female employees have accepted the reality that they are at disadvantage at work and male employees are paid more. They would not hold the threshold of male employees, and the satisfaction on the job would be higher.”

These three interviewees stand for different themes to understand job satisfaction from gender-based payment inequality perspective. 5 out of the total female employees consider that they have realized the gender discrimination in payment and other aspects, but they have accepted the reality about the different treatment. However, it would really influence their job satisfaction and motivation for better performance and career development. Female employees are obviously less motivated at work when they have realized that it is really difficult to obtain equal payment. It is reflected during

the interview that female employees are disappointed at the working environment that could not recognize their performance and efforts. It is one of the main reasons for them to quit the job.

Interviewee 8 states, "I think women like me are trying really hard to use the knowledge and experiences for better performances at work to compete with men to realize equality at work, but the reality is really difficult to women. It is really hard to grow job satisfaction when women feel that they are treated differently. When we feel less appreciated, we are less motivated. I think it is one of the reasons that many females choose to become housewives, because there is no promising future."

Interviewee 6 states, "I have frustrated experiences about the payment gap. When I know the male peer in the company is paid 10% more, I was really astonished. I was a senior employee than the male peer, and we were in charge of similar projects, and the job responsibility was also the same. As a new hired manager, he should be paid less than me. But on the contrary, I was paid less than him. I did not get a satisfying answer from my supervisor, so I quit. When I gave my note of resignation, I was told that I could get a 10% raise just like the male peer even though I have served the company for more years. I directly turned it down, and left this company."

From the interview results, it is clear that the payment inequality and the huge pay gap between male and female employees is the biggest reason for female employees to feel unsatisfied and quit the job. 9 out of all interviewees have experienced payment inequality and quit the job mainly due to this reason. 3 out of all interviewees have stated that they have female friends choose to become housewives because they do not feel that they could compete with men and have a promising future career. The interview results show that female employees do not feel that they are appreciated and trusted about their ability and contribution to the company. They feel that they are more likely to be disposed than male employees.

In literature review, this research introduces the factors influencing job satisfaction through the studies of Hoppock, (1935), Maslow (1954), and Adams (1963). The interview research fills the gap of using these factors to understand the influences of gender-based payment inequality on job satisfaction. The conclusion is that the financial aspect of payment inequality is only one aspect that leads to low job satisfaction. There are female employees accepting the reality that male employees could be paid more, and they could bear the difference. The more severe issue is that gender discrimination on the performances and ability of female. Female employees feel that they are not trusted about their ability to deliver and ignored about their hard work and more contribution to the company. It is the higher level of needs and motivations that

lead to the job satisfaction that would make them to quit the job. Therefore, the interview research provides a more in-depth analysis on the job satisfaction based on the gender-based payment inequality issue through the factors of needs, motivations, and equity.

### **4.3 Reasons to gender-based payment inequality in China and suggestions to payment equality**

The research asks questions of “What are the reasons to the gender-based payment inequality in China in your opinion? Could you provide suggestions in terms of gender-based payment equality to improve job satisfaction?” to understand the opinions and experiences on gender-based payment inequality from interviewees. The research first concludes on the personal experiences from the interviewees. Unfortunately, gender-based payment inequality is a common phenomenon in China. The above section has illustrated the specific cases of gender-based payment inequality. This section concludes the reasons to gender-based payment inequality in China from the opinions of female employees.

Interviewee 5 states, “I think the deep reason to the gender-based payment inequality is the patriarchy culture in China. In the mind of most Chinese, men

are more hardworking and are responsible at work, because women need to be more involved in family issues. The family issue, especially taking care of the children, would consume a lot of time and energy of women, which would make them less committed to the important tasks. As a matter of fact, the Chinese women take more responsibilities at home, and the companies would prefer the employees that could contribute more to the company.”

Interviewee 10 states, “I think the Chinese government needs to take responsibility for the gender-based inequality. The laws and policies are not playing a positive role in promoting the equality among male and female employees. The second-child policy makes the condition even worse. Company has to pay the female employees when they are pregnant even they do not attend to work. It is a huge burden to the company, but the government does not compensate the company for taking the social responsibilities to encourage female employees giving birth to second child. The huge cost makes the company reluctant to hire female employees.”

Interviewee 16 states, “I think due to the second-child policy, the whole society is calling females contribute more to family life and not compete with males at school and at work. The perception that females could spend more time at home is changing the mind of the employers and employees. It motivates females to find low level jobs that would allow them to spend more time and

energy at home, and gives reasons to the company to hire males over females. Under this concept, it is impossible to realize gender-based payment equality.”

The above answers are the representative opinions on the gender-based payment inequality conditions in China. The reasons to the gender-based payment inequality is rooted deeply in social, cultural, and political beliefs and concepts in China. The deep-rooted reasons make the reality difficult to change. The females that have realized this reality would have a hard time to satisfy with the current job. Because this gender-based payment inequality could not be changed even if the female employees try to work harder or be better educated. Individual efforts would not change the gender-based payment inequality in China. Thus, the suggestions from the female employees are mostly from social and political perspective.

Interviewee 13 states, “I think the government needs to take more responsibilities in the gender-based in equality. There are so many my female friends quitting jobs to be housewives for giving birth to a second child. Since the second child policy is released, they are stressed to have another child. Thus, they are forced to quit the job or giving up promotion opportunities for the second child. They are willing to go back at work, but most companies would not want to hire female employees because they have more family issues and less committed to the company. Only the government has the resources to pay

more the company to compensate the additional costs to the company for hiring female workers.”

Interviewee 16 states, “I think the government should force the maternity leave of male employees as the female employees. When the cost of giving birth to a child is evenly distributed to both male and female, it is more likely to achieve payment equality. The fundamental resources to the payment inequality and low satisfaction rate of females on their job environment are the different roles in the family. If the government tries to force the males to take more responsibility in family affairs, females could receive more equal treatment.”

The above quotes are the common opinions from the female interviewees. It is a common agreement that the government should take the responsibility for the gender-based payment inequality, but the approaches of the government policy are different. One is to create the policy to compensate the company that hires young female employees during maternity leave for even the cost to realize payment equality. The other is to create the policy that makes male employees take the maternity leave as their wives are pregnant to realize payment equality.

Therefore, it could be concluded that the second child policy is regarded as the political reasons that worsen the condition of gender-based payment in China.

The Chinese government tries to encourage women to give birth for keeping

the population growth, but they did not consider the influences of this policy on women. They need to release supplement policies with financial supports to compensate the negative influences of this policy on females. Otherwise, the female group would have to be scarified for this policy, and it is not a sacrifice for a short time, but for generations. Without any changes from the government, female employees would always face the gender-based payment inequality and impossible to find a satisfying job. In the literature review, researches from Lin and Gunderson, (2014), Huang and Gamble (2015), Wei and Bo, (2014) and Chi, and Li, (2007) are mostly from sociological and political views. The interview results fill the gap of revealing the perceptions from female employees on the gender-based payment inequality in China, which is valuable for further researches on the topic.

#### **4.4 Conclusion**

The data obtained has interesting and arguable significant results as discussed above. Most of the data from the primary research sustain with the arguments from the literature review but it has produced some significant results on revealing the actual conditions of female employees experiencing and facing the payment inequality and its connection with job satisfaction. From the female perspective, the primary results call for the changes of government policies to support and compensate the sacrifice of females for distributing more time at



home than at work, especially the economic compensation to the company hiring females, and equal maternity leave for males.

## **Chapter Five, Conclusion and recommendation**

### **5.1 Research summary**

This research uses both theoretical reviews and primary researches to understand the conditions of gender-based payment inequality and its influences on job satisfaction. Theoretical reviews lay a solid foundation for primary research on investigating the dimensions of payment inequality, the factors that influence job satisfaction, and the actual conditions of gender-based payment inequality in China. According to the interview results, it is clear that the gender discrimination is a common experience to female employees. The income of all the employees is largely determined according to the job responsibility and the evaluation of the performances. Female employees are not given equal opportunities for important jobs and proof of performances. The less opportunity to prove ability and performances limits the payment of female employees. Furthermore, the payment gap is recognized among female employees. Female employees consider that it is difficult to change the perception that males are ought to be paid more. The researches on the payment dimensions mostly agree with the theories reviewed in literature

review, but the significance of primary research results is to provide real life experiences and perceptions of these dimensions from female employees.

Both primary and theoretical reviews conclude that the gender-based payment inequality has become a common issue that causes the low job satisfaction rate. The primary results highlight that the financial payment inequality is only one aspect that leads to low job satisfaction. There are female employees accepting the reality that male employees could be paid more, and they could bear the difference. The primary results fill the research gap that they are appreciated and trusted about their ability and contribution to the company is the more severe issue to low job satisfaction. Not being trusted about their ability to deliver is the higher level of needs and motivations that lead to low job satisfaction that would make them to quit the job. Therefore, the interview research provides a more in-depth analysis on the job satisfaction based on the gender-based payment inequality.

Finally, the primary research concludes the reasons to the gender-based payment inequality rooted deeply in social, cultural, and political beliefs and concepts in China. The interviewees agree with the difficulties to change and a hard time to find a satisfying job, because the gender-based payment inequality in all dimensions analysed in the above section, and individual efforts from females would not change the current conditions. Thus, the suggestions from

the female employees are common agreements that the government should take the responsibility for the gender-based payment inequality, including to create the policy to compensate the company that hires young female employees during maternity leave for even the cost to realize payment equality, and to create the policy that makes male employees take the maternity leave as their wives are pregnant to realize payment equality. The reasons and suggestions analysis fill the research gap on these scopes to understand female perceptions on the reasons that why they are treated differently and they are dissatisfied with their jobs, and expectations on how to change the current conditions.

## **5.2 Research limitation and recommendation**

The research concludes useful information from female employees about their perception and experiences on gender-based payment inequality and job satisfaction. The research results could be used as references to understand the actual conditions of gender-based payment inequality and its relationship with job satisfaction, and the appeals from female employees on the government should implement policies to change the gender-based payment inequality. Though the research fills some research gap on the gender-based payment inequality in China, there are also limitations.

First of all, the research only collects a limited number of people for interviewing. The limited sample could not provide comprehensive results that represents all gender-based payment inequality. There must be information missing from other female employees. Secondly, the limited sample could not provide a detail demographic analysis on the female employees to provide more specific analysis. Thirdly, the research only collects subjective data. Without quantitative data, the research results lack of the supports from objective data. Therefore, for further researches, it is recommended to use quantitative research to collect objective data and expand the participants population for collecting more data for demographic analysis.

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#### **Appendix: Interview questions:**

1. As a female, what do you know about gender-based payment inequality in China?
2. Do you think payment procedure would influence payment equality? How?
3. Do you think payment distribution would influence payment equality? How?
4. Do you think payment interaction would influence payment equality? How?
5. As a female, what extent of payment equality would influence your job satisfaction? Could you elaborate?

6. In terms of levels of needs, what factors regarding payment equality and payment gap would influence job satisfaction?
7. In terms of motivations, what factors regarding payment equality and payment gap would influence job satisfaction?
8. What are your experiences of gender-based payment equality in your work experiences and the connections with job satisfaction and turnover?
9. What are the reasons to the gender-based payment inequality in China in your opinion?

Could you provide suggestions in terms of gender-based payment equality to improve job satisfaction?