How Meaning at Work Impacts the Gender Pay Gap

Many scholars have sought to explain the disparity in how women and men are paid. While much of the conversation has focused on discrimination in hiring practices and wage penalties for new mothers, new research is considering how women and men self-select into different types of jobs—and which job characteristics they prioritize.

In “Gender Differences in Preferences for Meaning at Work,” Stephan Meier, Chazen Senior Scholar, with Columbia Business School colleagues Vanessa Burbano and Nicolas Padilla, reveal there is a universal difference in how women choose jobs; this difference centers on how much meaning their work provides. These findings may partly explain why women are underrepresented in higher paying industries and offer hiring managers a promising avenue for attracting more female talent.

Research

Using two sources of data, the researchers examined how differences in workplace preferences—considering monetary and non-monetary job attributes—express themselves along gender lines. This is the first study to hone in on gender differences in preferences for the aspect of “meaning at work,” or the purpose of a job as it relates to a company’s efforts to be socially responsible.

First, the researchers analyzed a survey of 110,000 individuals in 47 countries. The international survey asked participants a series of questions about the importance of different job attributes, including compensation, flexibility, and...
What Constitutes a “Good” Job?

<table>
<thead>
<tr>
<th></th>
<th>Women</th>
<th>Men</th>
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<tbody>
<tr>
<td>High pay</td>
<td>31.8%</td>
<td>48.1%</td>
</tr>
<tr>
<td>Company CSR &amp; job impact</td>
<td>35.0%</td>
<td>20.3%</td>
</tr>
<tr>
<td>Job impact only</td>
<td>33.2%</td>
<td>31.6%</td>
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The research reveals that, across the globe and regardless of education or income level, women prefer jobs and industries where there is a societal purpose to their work.

Results

The research reveals that, across the globe and regardless of education or income level, women prefer jobs and industries where there is a societal purpose to their work. The data was analyzed by gender and industry to determine what causes women and men to occupy different types of jobs. The researchers also investigated whether gender differences varied by different education levels or income levels of countries.

Second, the researchers studied a cohort of 491 MBA students at a top-tier US business school over a two-year period. Prior to the start of MBA coursework, the researchers surveyed students to gauge their preferences for meaning-at-work attributes, such as corporate social responsibility of a company and perceived impact on the job. The researchers then tracked students’ coursework choices, internship placements, and full-time job offers to determine if gender differences in job preferences contributed to these critical career decisions.

Indeed, women may not self-select into certain industries because the work is not as meaningful to them. This is especially true when looking at the data on MBA students. For example, women are much less likely to go into the finance industry post-MBA, which has important implications on wages earned out of the gate and over time. The differences in preferences for meaning at work explains part of this choice to not start a career in the financial sector.

The researchers stress that if companies actually want to close the gender gap by recruiting and retaining more women, particularly in high-paying industries, then they should invest in corporate social responsibility programs in addition to focusing on diversity and inclusion efforts. In addition, companies must also provide opportunities for employees, particularly women, to find meaning in their work.