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## **Gender pay gap in the Indian IT sector**

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### *Introduction*

IT industry is the flagship of Indian industrial development and a global provider. It has also been regarded as the empowerer of the “new Indian woman”. It has increased women’s economic influence and loosened traditional norms (Radhakrishnan, 2009). There exists a popular image where well-educated young women and men work side by side at IT companies, doing equal work for equal and high monetary rewards. However, the survey in the summer of 2014 (Fabo & Varkkey & Korde, 2014) indicated a gender pay gap of 29% in the Indian IT industry. Even with some reservations as to the full reliability of the figures, the monetary rewards of the industry do not seem to be equally distributed among women and men. In addition, salaries are not only monetary rewards, they also are a status indicator, and a strong model of feedback (Upadhaya & Vasavi, 2006; Rotschild & Landau & Sullivan, 2011). Thus, a salary gap also denotes a status gap in the industry between women and men.

Gender pay gap is a global phenomenon (Oostendorp, 2009). Almost nowhere do women earn as much as men. This is due both to vertical (men are in higher, better paid positions) and horizontal (men work in occupations where salaries are higher) gender segregation in the labour market (Bolton & Muzio, 2008). In addition, it has been shown that even for the same job, men and women may receive differential pay, because of gender bias in the evaluation itself (Castilla & Benard, 2010). The figures of the Indian survey should, thus, not have been a surprise as such. Gender pay gaps in the Indian IT sector had also previously been reported in research (Padmanabhan, 2010), but the Fabo & Varkkey & Korde (2014) report was taken up by the media and required the industry to react.

As the gender pay gap contradicted the image of the Indian software industry it was commented in the Indian media. The main explanation for the gender pay gap was said to be women’s traditional role of wife and mother, with the accompanying expectations even for professional women in the software industry. Comments stated that women’s family duties cause breaks in their careers and make it impossible for them to acquire the long experience that leads to a high salary. Women’s family duties were also said to deprave them of managerial positions. This reasoning upholds the image of IT as an empowerer of Indian women, and situates the problem in traditional societal ideas which still restrict women.

Women’s family duties have long been used also in American and European discourses as an explanation for their slow or interrupted careers and lower salaries. However, while work-life balance is still an important concept when it comes to gender equality, a convincing number of studies (Simpson & Lewis, 2005) show that many of the hurdles and stumbling stones are created in the workplace, by women’s contributions not being recognised, by gendered allocation of different tasks and by both employees’ and managers’ expectations that women will be satisfied with less. This paper argues that such mechanisms are also at work in the Indian software sector, and that the gender pay gap to a large extent can be attributed to the organizational practices of the companies

### *Material and method*

The Offswing research project has investigated the collaboration between Swedish and Indian companies in IT offshoring, with a specific interest in gender issues. In the project 149 employees and managers in three companies, both Swedish (70) and Indian (81, 33 women and 48 men), were interviewed. The companies represented two different organizational environments: two small, European led start-ups with less and a hundred employees and one Indian-led subsidiary of a multi-national company with a few thousand employees. The sample basically consisted of all female employees in the small companies, and in selected (by a company representative) project teams in the large subsidiary, matched with male employees with similar ages and positions, and team leaders and managers (which accounts for the higher number of men). However, some interviews were not matched, but conducted on a purposive basis with employees who were interesting for the study for one reason or another.

The large company was an example of what Poster (2008) describes as filtering of values from the headquarters to the Indian scene. Even if it had its headquarters outside India, in some ways the organizational culture (for example reward schemes, organization of work, employee control etc) was more "indian", i.e. different from European firms than the small start-ups. Because of its size, it had several career levels and paths. The small companies were managed with a kind of paternalistic leadership (Salminen-Karlsson, forthcoming), had few career levels and an informal organizational culture.

The interviews touched upon a number of different issues: communication and collaboration patterns, organizational learning, gender issues, and different work environment issues in both Sweden and India. In most interviews salaries were discussed relating to questions like: "Did you negotiate your salary during the recruitment process?", "Are you satisfied with your salary?" and "Who decides your salary?", "Do you think men and women have equal salaries in this company?". The managers of the companies were interviewed on the salary setting principles and the salary negotiation behaviours of their employees, also with a direct question about a possible gender pay gap.

#### *Background – gender in the Indian IT sector*

Even if traditional gender relations have been challenged by the IT industry (Bhattacharyya & Ghosh, 2012) Indian middle class, to a large extent, still has a male breadwinner ideology (D'Mello, 2006) where the husband is expected to bring in an income that allows the wife to take care of children and other family matters. In addition, sons are expected to provide financially for their parents when needed, and daughters and daughters-in-law are expected to provide care to the older generation, when needed. Grandparents in turn often provide childcare, for example if both parents of the grandchildren are working. India has a law of equal pay for equal work since 1976. However, the different financial obligations of men and women give them, their employers and their families differential attitudes, expectations and behaviours in relation to salaries.

It is not easy to find reliable gender statistics for the Indian IT sector. Lannon (2013) refers to a Nasscom report saying that 22% of the employees in the Indian IT sector are women. The Fabo & Varkkey & Korde (2014) report, based on a web survey among IT professionals shows that most of the women surveyed were relatively new graduates, and that only 14 percent of the women had been working 11 years or longer. The corresponding percentage for men was 21. This confirms the perception that many women only work until they get married or have children.

The Fabo & Varkkey & Korde (2014) report found a gender pay gap of 29%. The difference was found, in part, to be due to the uneven distribution of supervisory positions: 52% of the men and 36% of the women in their survey had some kind of supervisory position. However, when employees with supervisory positions were removed from the sample, a gender pay gap of 18-20% remained.

In Padmanabhan's (2010) study of young software professionals (up to 28 years), the pay gap did not exist in the youngest age groups, up to 26 years, but became visible and widening in the following age groups. In the Fabo & Varkkey & Korde (2014) study, the wage gap was 15% already in the youngest group, with 0-2 years of employment. Among the oldest participants in Padmanabhan's study, a gendered division of work titles started to be visible, even if it was not notable in this young population.

While women's family duties are important in salary setting in a country such as India with clearly denoted gender roles and obligations, the Offspring interviews showed that the relationship between family and salary for women was not a simple cause-effect chain. Different organizational and individual practices also played a role.

#### *The invisible and inaccessible gender pay gap*

The research of Castilla (2008, Castilla & Benard, 2010) is particularly relevant in the Indian IT sector. Castilla concludes that meritocratic reward systems in organizations may actually contribute to a gender pay gap. He first shows it in an empirical case in an American service organization, which introduced a two-tier rewarding system (performance ratings by superiors and reward decisions based on these decisions one step further up) and stressed its merit-based reward ideology. Castilla found that for the same ratings, women and racial minority employees got lower rewards. Castilla & Benard (2010) investigated this empirically with the same result: If an organization is professing to be meritocratic, men's rewards for the same performance are higher. In addition, rewards for which the decision-makers are less accountable (bonuses and salaries) show greater disparity than rewards which are more visible (for example promotions). Castilla concludes that instead of promoting equality, meritocratic salary systems actually institutionalise salary differences between genders. His explanation is that when a two-tier process is introduced, gender bias can enter in two stages: the performance evaluation in itself (which earlier research has shown often to be biased) and the evaluation of a suitable level of reward, which also shows to be biased. The fact that the organization professes to be meritocratic removes the condition where the manager making the reward decision needs to examine her or his personal grounds for making a certain decision, and thus maybe address her or his personal gender bias.

The companies in the Indian IT sector pride themselves of being meritocratic. This is one of the image-building aspects of the "modern" industry, as a contrast to "traditional" industries where salaries are often set by the personal consideration of the manager. There are elaborate salary systems, based on ratings from the employees, their supervisors and from customers. In addition, salaries are confidential: it is not uncommon that the employees sign a confidentiality agreement promising not to discuss salaries with colleagues. Thus, the conditions identified with Castillo are present.

In the case study companies a yearly salary revision, and maybe performance appraisals every six months was the common practice. Both the employees and their supervisors filled in individual forms

about the employee's performance, with numerical ratings, and in case these did not coincide, the figures were discussed. In addition to that there could be monthly ratings, and/or weekly or monthly ratings from the customer, and normally a grade would be assigned.

The formalised and extensive performance assessments, connected to salary setting can be seen as an organizational ritual (Herzog & Abel, 2009) which works to legitimize the salary received by the individual. The HR managers could explain in detail the process by which the salaries were set. When the employees were asked about who sets their salary or on what grounds salaries are set they referred to the processes and the need to get good ratings. However, even if the interviewees referred to the process, they did not always understand it:

I know my skill set, and I don't think my salary corresponds to that. Salary depends on your rating. Last year I had a rating of one, but they said that I had already crossed my band, so I got only twelve percent. This year I'm on a higher band, but I only have rating two, so I don't know if that will give me more. The managers look at your ratings, but then there is a normalization process which also affects salaries, every unit has a team for that process and - I don't know exactly how that works, it's very complicated.  
[Female employee, MNC]

Having a seemingly neutral process works for both managers and employees to assure that there is no leeway for gender biases, everybody is evaluated the same way. Numbers look neutral. However, setting the figures is not necessarily gender neutral – on the contrary, when evaluating men's and women's work, both men and women have been shown to have unconscious biases which result women to be evaluated lower (Castella, 2008). The ratings in turn have to be interpreted and weighed together, both when it comes to different ratings of the same individual, and ratings between individuals, and in this process unconscious gender biases may also be at work. The employees do not always know which aspects of their performance are given weight, in what it is most advantageous to excel, and this may even differ between women and men. As the individual ratings as well as salaries are not shared among the employees the results of different biases will probably not be detected (D'Mello, 2006). When the interviewees were directly asked about the gender pay gap they, consequently, said that they did not think such differences existed, with more or less emphasis – some women sounding hesitant.

According to the Fabo & Varkkey & Korde (2014) report, salaries are the employment aspect that the employees in the IT sector are most dissatisfied with – in spite of the fact that the IT sector has the highest salaries in India. This may be due to the connection of salaries to the performance management system and their function as feedback and as indicators of future career prospects: IT professionals do not compare their salaries with people outside the sector but with each other.

Upadhaya & Vasavi (2006) describe performance ratings and salary policies as an Indian way of telling employees about their outlook in the company. Poor ratings indicate that it is time to move before one gets fired, while good ratings indicate that the company regards you as a key performer on a tract to higher positions. However, for women this does not seem to work quite the same way. Good ratings do not automatically indicate higher salaries or a fast career. Both women and men were dissatisfied with their salaries in the interviews, in particular in the large company. However, only women related stories about how the missing raises had been explained to them by, for example, referring to men's salaries being low. A woman not being able to get a raise because of a

male manager is not getting one, is an example of a gendered combination of salary policies and hierarchy:

I expected a bit more at least a 30 percent but it was only five to six percent. [...] Since my senior was also in my range, what I was getting. So they told that, no your senior is also getting, then there will be misunderstanding, clashes and all those things. So because of that I was not given. They told that we will see next year. But my feedback was very nice so I thought I will get it. But they told, it's okay, we will give next time. [Female employee, startup]

An expectation of a 30 percent raise may seem extraordinary for a Western reader, but is quite close to what has been normal in Indian IT companies. One of the managers in the same company told that the normal raise is between 15 and 20 percent, but can go up to 40 percent. The quote can be read as an explanation of salary policies, but also as an example of a gendered hierarchy, expressed in salaries: if the female junior actually would be worth the same salary as her male senior there is a question whether their current positions partly are determined by gender.

There were more similar stories at two of the companies. None of the women said that this had something to do with gender – but the male interviewees never told such stories. The men could be dissatisfied with their salaries, but they never told that they had not got a raise not to make somebody else envious. Thus, in spite of the employees and managers not seeing gender pay gaps, there were mechanisms that could build up such differences.

#### *Women as venturesome workforce?*

Attrition is a big problem in Indian IT industry (Upadhaya & Vasavi, 2006; Dhar-Bhattacharjee, 2014). In general, men are said to change companies frequently, because they will be able to get substantial salary raises, while women are said to stay in one company until they get married or have children, and then they often definitely leave. Another common reason a woman to change jobs is to move to husband's location – either marrying somebody somewhere else or moving with her husband if he gets relocated. That was also the general experience in our case study companies.

I would say to simplify it, everybody is different, individually different and they have different issue. But if I simplify it I would say men, they leave for money [...] And for girls that would be, mostly I have seen is family. I mean they are having kids or the husband is moving to another city because of the job or simply they don't need to work, I mean they could actually be at home maybe the husband is earning enough of money so it is not needed, so those kind of reasons is more, you could address that to the ladies. [Manager, startup]

Thus, the patterns are opposite: during the first years after graduation men are unreliable workforce, but when having got married and being fathers they look for more stability. Women are relatively stable workforce directly after graduation, but when getting married and having children they can be seen as unloyal, because they quit. The different patterns also have differential effects in salary developments.

D'Mello (2006) states that women's comparative loyalty in the early years is an advantage for them when recruitment is concerned. However, in the subsequent career and salary development, loyalty as such does not seem to pay off. In the Offswing study it was clearest in the Indian led subsidiary of the multinational. What attrition was acceptable and what was not seemed to depend on the cause

of the attrition: leaving a company for another company was understandable and even desirable for a career hungry person, who wanted to improve his expertise and career. However, leaving a company for a short maternity leave did not signal that you were career hungry. Therefore, women who by default were expected to do so, were not expected to be interested in improving their expertise and climbing the career ladder, and if they were, they needed to signal it clearly.

The expectation and experience that women do not chase after better jobs the same way as men do has been shown to widen the gender pay gap (Dreher & Cox, 2000; Lam & Dreher, 2004). If a manager does not want to lose one of his male subordinates, he can use salary increases to try to keep the person.

Interviewer: It happened more often that the guys were prone to leave and got this extra, does that happen?

Interviewee: It does happen but we cannot again we cannot entertain all cases. [...] If there is a critical phase with the project, there is a new project coming then we'll probably think about that. So I mean that's how we do it. [Male manager, MNC]

If he believes that a woman will stay anyway, those salary increases are unnecessary. It is probable that this kind of mechanisms, even on an unconscious level, are working to retain the gender pay gap. It is also indicated by a finding of the Fabo & Varkkey & Korde (2014) report: women on long term contracts earn less than women on short term contracts, while the opposite is true for men. This salary difference is as expected for men: long term contracts signal stability and higher positions, a person an employer wants to build on. If you are male and have stopped job-hopping, it is because you finally found an employer who offers you a good salary and other benefits. The paradox regarding women's salaries may have its origin in their different gender role and different expectations placed on them: Being a woman on a long term contract can signal that you play the typical female role of not being career hungry and likely to move, and, thus, do not need extra monetary rewards, while short term contracts signal that you are willing to play the same job-hopping game as your male peers and will move if the employer does not reward you.

#### *Experience, performance and availability*

While most of the interviewees did not believe in a gender pay gap, some of the female interviewees, mostly on higher positions, told outright that it existed. The HR manager in the large subsidiary also had heard from his female subordinates that this was the case. However, just like other managers who were interviewed, he believed that in general men and women had equal salaries.

According to the managers, salaries were decided on grounds of experience and performance only, and other characteristics of the individual, inclusive gender, were not relevant in the process. In this discussion several managers mentioned that they had, or had previously had, women subordinates with better salaries than their male colleagues. Using a few women as examples to counterbalance negative overall gender statistics is a common argument even in Western companies.

While the Indian company culture in general is very performance oriented, both employees and managers, when discussing salaries, often talked about the importance of experience when discussing the salary levels:

See, initially only when we plan to recruit somebody, I sit along with the management and, you know, like, okay, fine, this to this year experience, minimum package is X and maximum was to Y. So I try to negotiate and try to fix a person into that package. [...] And maximum, again it depends upon the experience level. The maximum, I can't say, right now. I mean, it differs from individual to individual, experience level and what position you are into. [Manager]

Experience, when measured by the number of months or years a person has been employed, and possibly even the number of different positions is something that men rather than women have and are expected to have in the Indian scene, in particular when it comes to employees with a few years' experience. When experience rather than performance is valued, it is difficult for women who have been at home for some time with their children to get back to salary levels that might reflect their performance.

Even European firms use experience as a basis for salary setting. However, the European managers interviewed in the study did not use experience in such a self-evident way. They rather looked for certain qualities, such as proactivity, independence and communication skills, already among junior employees. While this does not automatically mean that they would favour women more than Indian managers do, it shows that other criteria, which women might be better in fulfilling, can be weighed higher in salary setting.

However, concepts such as 'competence' or 'performance' are not gender neutral, either, and expectations placed on women and men also influence the salary setting practices (Castilla, 2008). For example, men are expected to be career oriented and, thus eager to increase their competencies and perform to their fullest, while women are expected to have their loyalties divided between work and family. Another factor that has been shown to introduce bias in evaluations in organizations is homosociality and visibility: Recognizing a subordinate as similar to oneself is likely to give that person an advantage – and male managers more often recognize male subordinates (Stafsudd, 2006). Men are also often credited for making themselves visible and noticed. In Upadhaya & Vasavi's (2006) study in the Indian IT sector young men were conscious of the importance of visibility, and employed different strategies to gain the attention of their superiors.

In particular young software professionals are eager to participate in trainings and get certificates to improve their CVs to put themselves forward in the competitive labour market comprising tens of thousands of job seekers. (D'Mello, 2006) This is easier for men, who have a greater control of their own time. A solid set of competencies, in particular if some of them are not common in the labour market, may also give an advantageous position in salary negotiations and contribute to the pay gap early on.

Availability is a characteristic that is extremely important in Indian software industry, where long working hours are a rule in many companies. This was not a characteristic that was mentioned by the HR people and managers in the first place, but became obvious during further discussions. Twenty-four seven availability is often difficult or impossible for women. Married women are expected to take care of the household, children, parents and in-laws (Radhakrishnan, 2009; Dube et al, 2012). For young women it is problematic to work late in the office, both because it may be seen as

questionable for moral reasons and because it is problematic to travel to and from the workplace at night (Fuller & Narasimhan, 2007).

In India, the employee working evenings and weekends does not get direct monetary compensation for the overtime hours, but he knows that being available is regarded as an important in the performance assessments and yearly salary raises. One of the HR managers, who first asserts that men and women have equal pay in the company, admits that availability is a criterion:

For the same salary, same qualification background job you get the same. But when the increments are given sometimes we may say that woman may get little less. For example the manager will say that I am giving two percent more to a man because he is available for me 24 about 7 on the days but being a lady I can't disturb you after seven o'clock, I can't disturb you before nine o'clock, I can't disturb on a Saturday, Sunday, so this man has done, is available all through, so I give him one percent more. So that can happen, it can happen anywhere. [Male manager, MNC]

Similar tendencies that availability is an important factor in salary setting, can be seen in the West, where research shows that long hours are not only a production necessity, but also exactly a way for male employees to show their commitment to other men (Castro, 2012, Holgersson, 2013). Thus, the part of the salary gap that may be a consequence of the long hours' culture is not necessarily a direct consequence of women's family roles, but also a consequence of organizational practices where men compete with other men.

Another aspect of availability is the possibility and will to travel, sometimes on short notice. A desire to travel is a norm in the sector for young employees (Upadhaya & Vasavi, 2006), and, for example in the Offswing case study companies, the difficulty of providing enough travel opportunities was said to be one reason for attrition. However, even if the managers told that both women and men travel, and the women who were interviewed on higher level positions had travelled, this was not easy for all female employees:

Interviewee: Okay and are you actually satisfied with your salary?

Interviewee: To some extent yes, because if I'm looking at my peers those that were equally experienced they are digging a higher salary than me, yeah. Maybe the reason is that sometimes I say no for traveling and for late night working hours [...] because I sometimes I said no for onsite because I was getting married at that time there, my parents didn't allow me to go over there. [Female employee, MNC]

It was common that women who chose to work more normal hours and did not travel, as the one in the citation above, saw this as a legitimate reason for having salaries that they were not quite satisfied with. Thus, the organizational practice of rewarding long hours and travelling was internalized as legitimate and a pay gap based on such issues was accepted. This not official but generally accepted salary difference may well account for a sizable part of the pay gap found in the Fabo & Varkkey & Korde (2014) report.

### *Negotiation – will and skill*

In general it is regarded as impossible to substantially increase one's salary if one is staying at one company. The high turnover rate in the software industry is largely due to employees changing companies for better salaries. In addition to the will to negotiate, also the competence to negotiate is important, in particular when signing the employment contract (Dhar-Bhattacharjee, 2014). The general impression from the interviews with employees and managers was that there are both

women and men who are hard negotiators, as well as women and men who basically are satisfied with what they are offered. One of the HR managers summarises:

Many women they say really I'm going to leave the job after two years or three years after I get married I'm going to leave the job so why negotiate, whatever job I get whatever money I get I'm happy. That could be the perception but I think... I have seen both men and women those who have got high self respect they negotiate those who do not have high self respect they don't negotiate. [Male manager, MNC]

Valenduc (2007) has found that individual negotiations disadvantage women in the IT sector, compared to collective bargaining. It may be due to women's negotiating skills, or to employers taking another attitude towards female employees – most often women's willingness to negotiate or negotiating skills are seen as the cause. D'Mello (2006) in her Indian study also found that women negotiated less about salaries, but more about other benefits connected to domestic responsibilities. The Offswing interviews do not clearly support this. The material is too small for definite conclusions, but indicates that women did not negotiate less than men, rather the opposite. However, women were more often dissatisfied with the results of the negotiation. This could indicate that if the practice of individual negotiations disadvantages women, it may be the attitude of the employers rather than women's unwillingness to negotiate that contributes to the pay gap. However, this issue needs further investigation.

The salary level in Bangalore is higher than in many other cities, where a number of the interviewees had started their careers. That is why it might have been easier for both women and men to accept what they were offered. A number of the women interviewed had moved to Bangalore with their husbands, who had got a job there. They were already married and by moving along with their husbands they had demonstrated that their careers were secondary to those of the husbands. Even if Bangalore also is an expensive city to live in and, thus, the woman's salary sometimes actually was necessary in the family economy, it was most often not regarded as important as the man's, and it was easier for her to be satisfied with lower offers.

Women who were interviewed often told that salaries were not the most important aspect of their jobs, but that it was more important that they had a nice working environment or that they had good possibilities for competence development. In Gokuladas's (2010) study, neither young men, nor young women thought salary to be the most important factor when choosing a company to be employed by, but possibilities for career growth were even more important for the women than for the men. The participants in Gokuladas's study were fresh engineering graduates, so it was quite natural that they saw their first employer as a stepping-stone for further career and evaluated factors that were important in a long-term perspective. The Offswing interviewees had already worked some years and practically all had changed jobs. Still, women were prepared to exchange salary to learning and career growth.

The cost of living was too much higher here in Bangalore. [...] Fourteen thousand I was getting there, and here when I joined they were giving me twenty. So I was a little bit satisfied also, but I thought that as per my experience, that is two plus years' experience I was having that time. So I was thinking that okay, I should get more than that. Then I have tried to negotiate but then if they had told that no,

twenty is our last proposal, so then I thought okay. Not a problem, I will grow here only. It's not a problem. So I have joined here. [Female employee, startup]

Possibilities for competence development, independent work and reasonable working hours were important also for a number of the men, who gave such reasons for staying at the company in spite of their impression that they would earn more by switching. However, while they can use their bachelor years for building up their CVs, as breadwinners they confront different expectations from the society (D'Mello, 2006). The managers also expected that women would be less interested in salaries than men. They talked proudly about the possibilities for professional growth that their companies provided, but not in particular in connection with women. They thought that women preferred good working conditions. All three companies wanted to recruit and retain women, and when discussing that issue, good working conditions, rather than a good salary level or professional growth were seen as a competitive advantage.

### *Family matters*

O'Neill & O'Reilly (2010) summarise earlier research by the statement that when discussing gender and career, gender should be separated from biological sex. Because organizational cultures generally are masculine, women who know how to "do" masculinity (West & Zimmerman, 1987) are advantaged above women who behave in typically feminine ways, while men who follow a feminine pattern are disadvantaged. This was quite visible in the case study companies, in particular when it came to women. Job-hopping, negotiation styles, availability and willingness to travel are all examples of masculine behavior patterns in the industry, and women who follow male patterns have advantages in their careers. The most definite difference, however, is the relationship to marriage and motherhood: Because a woman is expected to put home before work, she is not expected to follow the organizational norm that should be rewarded. In The Offswing project found several women in good positions in the Indian led subsidiary, but it seemed that it was necessary for them from the beginning to signal quite clearly that they were not interested in staying at home more than a maternity leave, to not be regarded as "default women". Conversely, men who do not conform to the ordinary breadwinner role but let family matters influence their work, may be disadvantaged salary-wise – we did find indications but not clear evidence on that. Defining the gender pay gap on basis of biological sex alone gives a skewed picture of the situation. In India, both women's and men's family situations impinge on work, even if in different ways, and investigating how this actually influences their salaries, instead of just assuming that "women" as a group have caring obligations and "men" as a group do not, would give a more correct picture of the relationship between family and salary.

Radhakrishnan (2009) writes about the time bind of the "new Indian woman", the software professional, and finds that she meets demands that her upbringing did not prepare her for. Radhakrishnan found that women who had made high careers were, by the company, seen as successful role models, but by many employed women seen as having forsaken something fundamental in their lives. These women can be said to have preferred more masculine ways of relating to family and work, and these are seen as a prerequisite for managerial positions and high salaries even in Western research (O'Neill & O'Reilly, 2010). However, according to Radhakrishnan, the best way to do respectable femininity for the female Indian IT professionals is to combine work and family, to carry on both roles. Even if this entails working and even career orientation, it

normally excludes a striving for the really high positions. It is obviously difficult for women who want to make careers and earn high salaries to find a suitable role in a society where gender roles are more clearly demarcated.

The explanation that the gender pay gap is due to women preferring family to career is, of course, valid. Many women more or less voluntarily have exchange a good salary to good working conditions, often for family reasons (D’Mello & Hylland Eriksen 2010; Shanker, 2008). Women do value good working environments and work-life balance even in the Offswing interviews. Preferring family-friendly aspects of the work environment can be negative for salary development, but this can have an effect on both women and men. A man can be disadvantaged, too, by for example not being a hard negotiator or preferring work from home for family reasons, like this male employee:

**Interviewer:** Okay. So when they offered you a particular package, you accepted it as it was, you didn’t negotiate?

**Interviewee:** Sometimes we try to negotiate, but I am really bad in negotiating, so I just -- I just moved on with what I am getting. [...] For my kids, I have some issues at my home [...] I went for the negotiation to work from home and they accepted and this year that’s why I will not be getting evaluation on salary. [Male employee, startup]

Thus, just as women may need to expose masculine characteristics to get a better pay, men who expose feminine characteristics may be disadvantaged in salary negotiations. The family-salary relation is about behaviour, not only about the gender of the employee as such.

However, normally men’s family relationships play a different role in salary negotiations. In particular in organizations and cultures with paternalistic leadership (Aycan, 2006), also what are conceived as employee needs can influence salary setting. As men have a supporter role that women do not have, it can be regarded as reasonable that they also get a better pay. Thus, the “gender contract” of the society can have a direct influence in salary negotiations in single companies. Male employees can argue for hikes when they marry and get children, but even before that salary negotiations are important for family reasons:

What is discussed in salary negotiations are also the arranged marriages. They want to get a better salary and a better position to be able to get married. For the CV is important in arranging a marriage. The CV is scrutinized. So this makes men more aggressive, and they are expected to be more aggressive. And so they are more eager to negotiate their salaries and to change roles than women.

As the duty of paternalistic managers is to see to the welfare of the employees and take their whole life situation into account, they can understand such arguments, which cannot be used by women.

### *Conclusion*

I have argued that in their salary-setting policies, IT companies in India are not just adapting to a societal condition, but that they, both on basis of women’s family responsibilities and on basis of general gender ideologies about women’s capacities, tasks and positions, construct salary setting systems, criteria and practices which unduly favour men.

The gender pay gap of 29% does connect to women's traditional role in the family. However, the connections are both direct and indirect. What is difficult for women to achieve – a career without breaks and working in on evenings and weekends – is what is valued in salary setting.

In part the pay gap is related to women's tasks outside the company. One example are the problems of working long hours. However, it is also a question of organizational values: the more valued long hours culture is, the more disadvantaged women are. If working long hours decreases in the organizational value scale, women's value increases. The same concerns the importance of an unbroken career, of "experience" instead of performance. This kind of issues are one side of the coin. The other side of the coin is the patriarchal societal order, where women implicitly or explicitly are expected to be subordinate. Such examples are the instances where women's salaries should not exceed men's salaries, or gender biases when women's and men's work is evaluated, by themselves, their managers or customers abroad. In addition, men can be seen as entitled for better pay because of their need to provide for their families, in spite of the legislation for equal pay – the legislation and the societal norms do not quite correspond. This ideology makes it also easier for women to not negotiate their salaries as hard as the men, as their income is secondary in the family.

Thus, the relationship between family obligations and salary is not simple, but is mediated by a number of different psychological, societal and organizational factors.

None of this is particular to India. Gender pay gaps exist in the IT industry globally, and for basically the same reasons. India is a clearer case than, in particular, some European countries, where the relative value of masculine practices is somewhat lower.

If we separate female behaviour from women as such, and see that to a certain extent, it is certain behaviour rather than a demographic group that has salary disadvantages, it is also easier to see that the gender pay gap is created in the interaction between employee behavior and organizational values and practices. The gender pay gap is not only related to evaluating and rewarding female behaviour but also to evaluating and rewarding male behaviour. This insight may also lead to questioning more of the organizational values and practices. If the IT sector in India, indeed, is proud of the image of empowering the new Indian woman, but simultaneously punishes, salary-wise, behaviours which sustain families, and encourages its male employees to work around the clock and leave family matters to somebody else – what is the image of the new Indian family it wants to send out?

### *Limitations*

This paper has concentrated on gender, and particularly women, as an overarching category. The intersections of gender with other characteristics, (for example caste, language, location of origin, degree-awarding educational institution) would be needed to nuance the picture, but in the Offswing interviews there was not enough material for such an analysis. Likewise, gender segregation in work tasks (D'Mello, 2006) can be expected to be an important factor in salary differences, but in the Offswing sample we did not find evidence of that – probably because of the sample composition.

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