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JOB FUNCTION AND GENDER AS DETERMINANTS OF EMPLOYEE REMUNERATION IN THE SMALL AND MEDIUM SIZED ORGANIZATIONS

*Funkcija posla i pol kao determinatne naknada zaposlenima u
malim i srednjim organizacijama[§]*

Frans Maloa

University of South Africa

Abstract

The size and fairness of gaps in employee remuneration are difficult to prove because of the uniqueness of the determinants of employee remuneration in different organisations. The purpose of the research on which this article is based was to review the distribution of employee remuneration across categories of job function and gender in South African small to medium-sized organisations. A purposive sampling method was used and categorical multiple regression analysis was performed. The overall findings of the research suggest that significant distribution of employee remuneration across categories of job function and gender exist in large organisations compared to smaller organisations.

Keywords: *Employee Remuneration, Gender, Job Function*

1. Introduction

There is an important general debate in South Africa (among employer organisations, labour unions and politicians) on the size and fairness of perceived gaps in employee remuneration among the different employment levels in organisations (Van Zyl, 2010). In line with the findings of Bradley, Green and Mangan (2011) and Tijdens

[§] Kontakt autora: maloaf@unisa.ac.za. Autor izjavljuje da nema značajne materijalne ili finansijske interese koji se odnose na istraživanje opisano u ovom radu. Takođe, autor izjavljuje da je podneti članak njegov originalan rad i da nakon izdavanja ništa od sadržine neće predstavljati povredu autorskog prava. Rad primljen 15.04.2015. godine. Odobren za objavljivanje 01.06.2015. godine. *Author declare that he has no relevant or material financial interests that relate to the research described in this paper. Also, author declare that the submitted paper is his original work and that, upon publication, nothing contained in it will not constitute an infringement of any copyright. Paper received 15.04.2015. Approved 01.06.2015.*

and Van Klaveren (2012), there is evidence of sizeable wage gaps, much of which cannot be explained by observable or objective factors such as workplace or worker characteristics, levels of qualification, responsibilities, size of the company and years of service. However, studies in the South African context (for example Bhorat & Goga, 2012, 2013; Maloa & Rajah, 2012; Masibigiri & Nienaber, 2011; Segooa, 2012; Swanepoel, Erasmus & Schenk, 2008; Van Zyl, 2010; Vosloo, 2005) succeeded in identifying some of the determinants of employee remuneration in an organisation. For example, Maloa and Rajah (2012) commented on the extent to which employee skills, external equity, employee performance and tenure predict employee remuneration. Although this line of investigation may appear straightforward, a review of the literature on employee remuneration, especially in the South African context, produced little information on the manner in which job function and gender account for employee remuneration in the public and private sectors. It is therefore the aim of this article to discuss standard practice by looking at the distribution of employee remuneration across categories of job function in small to medium-sized organisations irrespective of whether the organisation falls within the public or the private sector.

Against this background, the research will make it possible to formulate recommendations from the results for use in the organisation, as well as in further research in the field of remuneration.

What will follow?

The article first discusses the trends from literature, followed by the methodology. Next, the findings are explained. The article concludes with a discussion of the limitations of the research.

2. Trends from research literature

Gender gap in earnings has proven both persistent and universal (Lip, 2013). A standard finding in the literature on gender wage gaps is that the public sector exhibits much lower gaps than the private sector (Bradley et al., 2011). Furthermore, research by Arulampalam, Booth and Bryan (2007) has demonstrated that in many European countries there were gender wage gaps in the public sector and that the differences between the public and the private sector were somewhere between 6 and 16%. It is worth noting that in the United Kingdom, for example, the difference in the public sector wage gap across gender is far higher at the lowest deciles and decreases moving up the distribution. Conversely, in Italy and France, differences in the gap, across genders, increased along the distribution and were higher at the top deciles (Chatterji, Mumford & Smith, 2011). In terms of gender wage differences, these patterns suggest that, compared to men, women were relatively better off being in the public sector at the lowest deciles in the United Kingdom, while the opposite was true (that is, they were relatively better off at the highest deciles) in France and Italy. In South Africa, statistical data dating back from 2008 confirm that the gender wage gap remained critical at 33.5% (Segooa, 2012). Overall, the lowest unexplained gender pay gaps were found in countries as diverse as Kazakhstan, Indonesia and the Netherlands, and the largest ones in Chile, South Africa and Argentina (Tijdens & Van Klaveren, 2012). This unexplained gap seems to indicate a wide range of discriminatory practices in employee remuneration.

Against this background, the primary objective of the research on which this article is based was to establish a linear relationship between employee remuneration,

job function and gender in small to medium-sized organisations operating in the public and private sectors.

3. Job function as a determinant of employee remuneration

Job function, also referred to as the job family, is defined in the context of the current research as clusters of jobs or roles that share similar characteristics (Incomes Data Services, 2006b, p.3). While the exact level of responsibility, skill or competence required of roles within a job family may vary, the essential nature of the activities carried out and the skills used tend to be similar. Job families are usually arranged by functional groups, for example finance, information technology (IT) or personnel, or by work categories such as administration or customer services, or by occupation, for example scientists, IT specialists (Armstrong & Brown, 2001). Armstrong and Brown point out that this approach of using job families in compensation is likely to figure where management is of the opinion that different occupations require different reward and/or career development practices. Against this background the hypothesis, with statistically significant relationships tested, was the following:

Hypothesis 1: The distribution of employee remuneration is the same across categories of job function in small to medium-sized organisations irrespective of whether the organisation falls within the public or the private sector.

4. Gender as a determinant of employee remuneration

Naturally, the same kinds of social, cultural and institutional barriers that have kept women from climbing the corporate ladder also affect women who have gained access to the top positions in as far as remuneration is concerned (Shin, 2012). As highlighted by Greckhamer (2011), gender distinctions are profound aspects of social structures, organisational processes and remuneration systems, with the effect that women as a group generally earn less than men in the industrialised world, although the magnitude of this gender gap varies across countries, as do patterns of occupational segregation by gender. Likewise, men and women hold different types of jobs and are employed in different occupations (Gupta, Poulsen & Villeval, 2013).

In South Africa, the Employment Equity Commission's Report (2010) revealed that women were predominately represented in administrative as opposed to decision-making and senior managerial functions. Female employees remained over-represented in lower-paid, less secure and unskilled positions, with 16% being employed in the informal sector, 21% in the elementary sector and 15% in the domestic sector (Cohen & Moodley, 2012). Furthermore, Grant Thornton (2014) highlighted that only 26% of South African senior positions are filled by women and 21% of local businesses have women in senior management positions. As can be expected, there is continuing debate as to the extent to which the remuneration gap reflects merely the inevitable and reasonably fair result of differing work patterns and behaviour by women and men or the impact of employment discrimination against women (Lips, 2013). Shin (2012) reports that while many studies have explored the issue of women's representation among top management, little is known about the gender gap in remuneration, including about those who have reached the top. Against this background, the hypothesis with statistically significant relationships tested was the following:

Null Hypothesis 2: The distribution of employee remuneration is the same across categories of gender in small to medium-sized organisations irrespective of whether the organisation falls within the public or the private sector.

Overall, this article is intended to initiate discussion on the complex dynamic relationships between job function and gender on employee remuneration in the context of South African companies of small and medium size. This article argues that the type of job function and the gender of an employee are instrumental measures of the gap in employee remuneration in South African organisations of small and medium size, irrespective of whether the organisation falls within the public or the private sector.

5. Research Methodology

The quantitative research method was used in this study, where the emphasis was on the quantification of variables and statistical controls. The main approaches followed were exploratory and descriptive research based on documented data consisting of nominal, ordinal and numeric data. A secondary data-analysis approach was adopted in this study. This approach was relevant because, as posited by Mouton (2001), secondary data analysis uses existing data (mostly quantitative) and attempts to re-analyse such data in order to test hypotheses.

5.1. Research participants

For the purposes of this research project, the target population consisted of three small to medium-sized organisations that fall within the public and the private sector, respectively. The unit of analysis comprised salaried employees (e.g. skilled, professional and management positions, excluding executives) whose remuneration was not determined through the bargaining council, that is, wage-setting institutions (Magruder, 2010). As explained by Cardoso and Gindin (2009), Carneiro, (1998), Magruder (2010) and Nickell (1997), employer organisations and unions may opt to participate in bargaining councils, which extend arbitration agreements beyond the firms and unions that make them to all workers in an industry.

Purposive convenience sampling was conducted to collect data. Only three of the five organisations approached were willing to participate and supply information about their employee remuneration.

Table – 1. Statistical information on all the represented companies

	Company	Frequency	Percentage	Valid percentage	Cumulative percentage
Valid	Company 1	75	16.3	16.3	16.3
	Company 2	137	29.8	29.8	46.2
	Company 3	247	53.8	53.8	100.0
	Total	459	100.0	100.0	

Table – 1. shows the total population percentage distribution per company. Company 1 represents a state-owned company in the development finance sector, Company 2 represents a state-owned company in the aviation sector and Company 3 represents a private company in the banking sector. The best represented company in

the sample was Company 3 (a company in the banking industry), with 247 employees and a resultant percentage distribution of 53.8%. The second best represented company was Company 2 (a company in the aviation industry), with 137 employees and a resultant percentage distribution of 29.8%. The least represented company was Company 1 (a company in the development finance industry), with 75 employees in the sample and a resultant percentage distribution of 16.3%.

Table – 2. Descriptive statistics of all companies combined

Variable	Standardised Coefficients		p	F	R ²	R
	Beta	MS				
Company 1		1.536 .967	.164	1.588	.123	.351
Gender	.227					
Job function	.363					
N = 75						
Company 2		3.647 .886	.001*	4.118	.160	.400
Gender	.173					
Job function	.392					
N=137						
Company 3		.874 1.007	0.519	0.868	0.021	0.146
Gender	0.53					
Job function	0.126					
N =247						
Combined Company		5.897 .937	.000*	6.292	.077	.278
Gender	.133					
Job function	.230					
N = 459						

*p < 0.05 statically significant

Table – 2. reflects statistics on job function in relation to gender. Women occupied 100 jobs in operations, with a resultant percentage distribution of 48.8%, while men occupied 143 jobs in operations, with a resultant percentage distribution of 56.3%; women occupied 47 jobs in finance, with a resultant percentage distribution of 22.9%, while men occupied 44 jobs in finance, with a resultant percentage distribution of 17.3%.

Women occupied 16 jobs in human resources, with a resultant percentage distribution of 7.8%; men occupied three human resources jobs, with a resultant percentage distribution of 1.2%; women occupied 14 jobs in administration, with a resultant percentage distribution of 6.8%; men occupied three jobs in administration, with a resultant percentage distribution of 1.25%. Women occupied 14 jobs in information technology, with a resultant percentage distribution of 6.8%; men occupied 42 jobs in information technology, with a resultant percentage distribution of 16.5%;

women occupied 14 jobs in risk, with a resultant percentage distribution of 6.8%; men occupied 19 jobs in risk, with a resultant percentage distribution of 7.5%.

5.2. Research procedure

A non-probability sampling technique (convenience sampling) was used. The first stage of sampling involved selecting the three organisations by means of convenience sampling. The second stage of sampling consisted of data from a purposive sample of salaried employees. A theoretical orientation and a study of the appropriate published research data preceded the empirical study. Secondary data were collected by means of an extensive literature review, which included journals and textbooks on employee remuneration. The empirical data collected consisted of a salary corpus that contained information about job function and gender from the different organisations under study. The data gathered were recorded and captured on an Excel spread sheet and later coded and analysed. Furthermore, an analysis of the National Remuneration Guide from a prominent consulting firm specialising in salary benchmarking was used to benchmark the salaries of the organisations under study. The purpose of using the national benchmark was to measure the internal and external parity of the jobs in the organisations under study.

6. Statistical analysis

The corpus of salary data of all the organisations under study was transferred onto an Excel spread sheet and then imported into SPSS (a statistical program for the social sciences) for statistical analysis. Data were summarised using descriptive statistics (such as mean, standard deviation and range), frequency distribution (percentages), correlation coefficients and analysis of variance (ANOVA). Descriptive statistics were also calculated to describe variables numerically (Saunders, Lewis & Thornhill, 2007). As this study involved a multi-variable problem — that is, a problem in which more than one independent variable is studied — categorical multiple regression analysis was used. Categorical regression was conducted because the variables being studied fell into different categories, with a combination of interval, nominal data and numeric data.

6.1. Findings

The research findings were discussed in terms of categorical and quantitative data. The research results are discussed by each company and in terms of the combined results. A regression analysis as depicted in Table – 3. has indicated that there is a discrepancy when reporting on the distribution of employee remuneration across categories of job function and gender in small to medium-sized organisations irrespective of whether the organisation falls within the public or the private sector. Results of each participant organisation in the study are presented next.

Table – 3. Descriptive statistics by job function (combined company)

Descriptive								
Employee Compensation								
		Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Administration	7	388812.15	261017.952	63306.152	254609.10	523015.20	73340	1101559
Finance	1	611487.73	319591.293	33502.271	544929.62	678045.84	102100	1701300
HR	9	538759.78	218083.625	50031.815	433646.83	643872.72	190320	1120438
IT	6	634500.69	236914.288	31659.003	571054.63	697946.75	230550	1404000
Risk	3	655827.90	282552.041	49185.997	555639.30	756016.49	185050	1226862
Operations	43	525510.77	227343.064	14584.064	496782.86	554238.68	104890	1700000
Total	59	560708.28	259907.892	12131.461	536868.06	584548.51	73340	1701300

7. Results for Company 1

The results of the ANOVA indicated that the model fit was non-significant, as the p-value (0.165) was more than the significance level (0.05) and could therefore be considered non-significant in predicting employee remuneration within Company 1. Thus the distribution of employee remuneration across categories of job function and gender could not be determined within a private company in the banking sector.

8. Results for Company 2

The results of the ANOVA indicate that the model fit is significant; as the p-value at .001 is less than the significance level at 0.05. The results show that the model variances (3.647) are considerably higher than the error variances (.886), indicating that the distribution of employee remuneration across categories succeeded in predicting employee remuneration significantly at a 95% level of certainty. However, according to the regression coefficients, job function with a p-value at .000* is the only variable that is significant and thus the distribution of employee remuneration could be regarded as not being the same across all categories of job function compared to gender in Company 2. In addition, the variable job function at .392 has, in the order of ranking, the highest beta, compared to gender at .173. Based on the results, hypothesis 1 and hypothesis 2 were rejected. Thus, the distribution of employee remuneration is not the same across categories of job function, while the opposite holds true for gender in a state-owned company in the aviation sector.

9. Results for Company 3

The results of the ANOVA indicate that the model fit with a p-value of 0.519 was more than the significance level (5%) and could therefore be considered non-significant in predicting employee remuneration in Company 3. Thus the distribution of

employee remuneration across categories of job function and gender could not be determined in a private company of small to medium size in the banking sector.

10. Combined results

The ANOVA was calculated for the two hypotheses to determine whether there were statistically significant relationships when all the companies were combined into a single company. The results of the ANOVA indicated that the model fit was significant, as the p-value (.000*) was less than the significance level of 0.05. The results show that the model variances (5.897) are considerably higher than the error variances (.937), indicating that both job function and gender succeeded in predicting employee remuneration significantly at a 95% level of certainty when all the companies were treated as a combined company irrespective of whether they were a private or public company. Job function at .230 has the highest beta, followed by gender (.133). Based on these results, hypotheses 1 and 2 are rejected. Thus, the distribution of employee remuneration is not the same across categories of job function and gender in small to medium-sized organisations irrespective of whether the organisation falls within the public or the private sector.

Since the differences in the distribution of employee remuneration were more pronounced in the combined company, further analyses were conducted to probe the variables under study. T-test was conducted to indicate the nature of the distribution of employee remuneration with regard to gender and job function, respectively.

Table – 4. Results of t-tests and descriptive statistics on the job function by gender (overall)

Multiple Comparisons						
Dependent Variable: Employee Compensation						
Bonferroni						
(I) Job Family	(J) Job Family	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Administration	Finance	-222675.580*	67183.693	.015*	-420924.69	-24426.47
	Human Resources	-149947.626	84888.164	.000	-400440.01	100544.76
	IT	-245688.535*	70410.934	.008*	-453460.76	-37916.31
	Risk	-267015.745*	75910.303	.007*	-491015.79	-43015.70
	Operations	-136698.620	63790.532	.490	-324935.02	51537.78
Finance	Administration	222675.580*	67183.693	.015*	24426.47	420924.69
	Human Resources	72727.955	64135.133	1.000	-116525.31	261981.22
	IT	-23012.955	43185.814	1.000	-150447.89	104421.98
	Risk	-44340.165	51669.032	1.000	-196807.82	108127.49
	Operations	85976.960	31249.750	.093**	-6236.42	178190.34
Human Resources	Administration	149947.626	84888.164	1.000	-100544.76	400440.01
	Finance	-72727.955	64135.133	1.000	-261981.22	116525.31
	IT	-95740.909	67508.268	1.000	-294947.80	103465.98
	Risk	-117068.120	73225.956	1.000	-333147.06	99010.82
	Operations	13249.005	60571.434	1.000	-165488.32	191986.33
IT	Administration	245688.535*	70410.934	.008*	37916.31	453460.76
	Finance	23012.955	43185.814	1.000	-104421.98	150447.89

	Human Resources	95740.909	67508.268	.000	-103465.98	294947.80
	Risk	-21327.210	55800.896	1.000	-185987.38	143332.96
	Operations	108989.915	37690.821	.060**	-2230.11	220209.94
Risk	Administration	267015.745*	75910.303	.007*	43015.70	491015.79
	Finance	44340.165	51669.032	1.000	-108127.49	196807.82
	Human Resources	117068.120	73225.956	1.000	-99010.82	333147.06
	IT	21327.210	55800.896	1.000	-143332.96	185987.38
	Operations	130317.125	47172.792	.090**	-8882.79	269517.04
Operations	Administration	136698.620	63790.532	.490	-51537.78	324935.02
	Finance	-85976.960	31249.750	.093**	-178190.34	6236.42
	Human Resources	-13249.005	60571.434	1.000	-191986.33	165488.32
	IT	-108989.915	37690.821	.060**	-220209.94	2230.11
	Risk	-130317.125	47172.792	.090**	-269517.04	8882.79

*. The mean difference is significant at the 0.05 level

Table – 4. indicates representation by gender on the job functions. Only three job functions, namely finance, risk and operations (which happened to be the core functions in all three companies) were analysed, since their sample size was large enough to allow mean comparison between job function and gender. Regarding the job functions human resources, IT and administration (which happened to be the supportive job functions), their sample size in terms of gender were not well represented, with the effect that a t-test was not calculated.

As indicated in Table – 5, the results of the two independent samples' t-test shows that mean employee remuneration differs between males (M=669354.14, SD=299348.776, n = 47) and females (M=549675.88, SD=332185.723, n = 44) at the .01 level of significance, with $t = -1.807$, $df = 89$, $p < .05$, 95% CI for mean difference - 251240.589 to - 11884.068. On average the distribution of employee remuneration indicated that there was pay discrepancy between males and females. The results suggested that males received higher pay compared to females in finance as a job function, but the same did not apply in risk and operations. Further probing of the relationships between job functions was conducted using post hoc multiple comparisons to study the distribution of employee remuneration between different job functions.

Figure – 1. Mean Plot

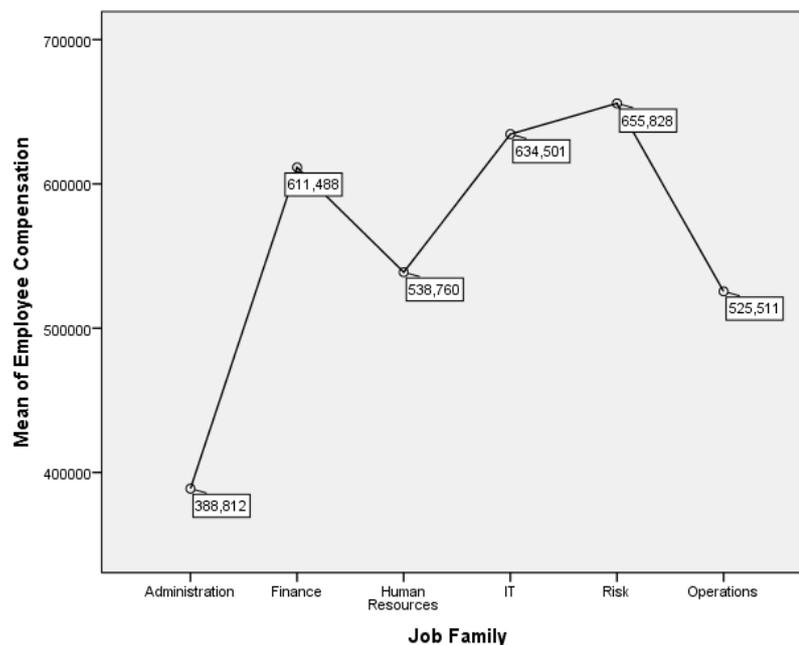


Figure – 1. indicates that risk has the highest distribution of employee remuneration, followed by IT and finance, respectively. The average distribution of employee compensation relative to all other job functions in the sample is human resources, followed by operations. The most limited distribution of employee remuneration relative to other job functions was in administration.

11. Post hoc tests of multiple comparisons for the combined company

Since the combined company was large enough to allow further statistical probing, a post hoc test of multiple comparisons was conducted in order to indicate the distribution of employee remuneration between job functions. However, the descriptive statistics of the combined company are presented first, followed by the post hoc test of multiple comparisons of job functions.

Table – 5. Results of t-tests and descriptive statistics for finance, risk, and operations by gender (overall)

Outcome	Group						95% CI for Mean Difference	t	df	p
	Male			Female						
	M	SD	n	M	SD	n				
Job function- Finance	669354.14	299348.776	7	549675.88	332185.72	4	-251240.589, -11884.068	1.807*	89	.074**
Job function- Risk	662207.96	292940.224	9	647169.24	278494.08	4	-9.95, 74.20	1.52	86	.883
Job function Operations	540038.30	235473.644	41	505428.60	215124.81	102	-0.97, 0.07	-1.71	87	.242

* p < .05.

** p < .01.

Table – 5. indicates that the distribution of employee remuneration is not the same when administration as a job function is compared to finance, IT and risk at (5%) significance level, respectively. Also, the distribution of employee remuneration is not the same when finance as a job function is compared to administration at (5%) significance level and operations at the 10% significance level, respectively. Furthermore, the distribution of employee remuneration is not the same when IT as a job function is compared to administration at 5% significance level when IT is compared to operations at 10% significance level. Likewise, the distribution of employee remuneration is not the same when risk as a job function is compared to administration at 5% significance level or when risk is compared to operations at 10% significance level. Lastly, the distribution of employee remuneration is not the same when operation is compared to IT and risk at 10% significance level.

12. Discussion and Conclusion

The research reported on in this article set out to review the extent to which the distribution of employee remuneration is the same across categories of job function and gender in small to medium-sized organisations irrespective of whether the organisation falls within the public or the private sector. The discussion draws from a broad understanding of salaried employees whose compensation is not determined through the

bargaining council. The participants were from organisations operating in three different industries, namely the development finance, aviation and banking sectors. At this stage, it should be pointed out that the study was only exploratory in nature and the findings can therefore not be generalised. Evidence from the literature review demonstrated a need to investigate employee remuneration (see Bhorat & Goga, 2012, 2013; Catalyst, 2010; Lip, 2013; Maloa & Rajah, 2012; Masibigiri & Nienaber, 2011; Swanepoel, Erasmus & Schenk, 2008; Van Zyl, 2010; Vosloo, 2005), and the distribution of such remuneration based on job function and gender in particular (Tijdens & Van Klaveren; 2012; Segooa, 2012; Shin, 2012).

The findings of the current study revealed that the best represented gender in the population was male, with 254 employees and a resultant percentage distribution of 55.3% against women at 44.7%. The findings also revealed that male employees were mostly represented in job functions that were considered to be core functions (finance [17.3%] against females [22.9%], risk [7.5%] against females [6.8%] and operations [56.3%] against females [48.8%]) in the three organisations under study. Conversely, the findings revealed that female employees were mostly represented in job functions that were considered to be support functions (human resources [7.8%] against males [1.2%] and administration [6.8%] against [1.2%] of males) in the three organisations under study. These findings confirm findings of the literature review that men and women hold different types of jobs and are employed in different occupations (Gupta, Poulsen & Villeval, 2013) and that women are predominately represented in administrative as opposed to decision-making and senior managerial functions (Cohen & Moodley, 2012; Grant Thornton, 2014)

The findings of the study demonstrate that there are statistically significant differences in the distribution of employee remuneration when the three companies are combined into one large organisation. The distribution of employee remuneration is not the same between male and female employees in finance, but this is different in risk or operations at the 10% level of significance. Thus, results show that males compared to females received higher remuneration in finance as a job function, but no statistical difference exists in the distribution of employee remuneration between males and females in risk and operations.

The current study, unlike previous studies on the subject of employee remuneration, seems to have made a unique contribution. The findings in this research suggest that a review of the job function and the gender of an employee could be made in a larger organisation rather than in a smaller one, irrespective of whether the organisation falls within the public or the private sector. This is so since the distribution of employee remuneration based on job function and gender was more pronounced when the organisation was larger as a single entity (Company 2), and when the companies were combined into a single company.

Furthermore, the findings also indicated through the mean distribution that risk, relative to all other job functions in the sample, had the highest distribution of employee remuneration, followed by IT and finance, respectively. The average distribution of employee compensation was in human resources, followed by operations. The least distribution of employee remuneration occurred in administration. This may imply that risk as a job function is the key job function in small to medium companies. The finding also seems to suggest that the size of the organisation in terms of the number of employees is a clear indicator of the distribution of employee remuneration in small to medium-sized organisations. Moreover, risk as a job function seems to be an important job function in the context of the South African small to medium-sized organisations.

As the findings were different in the three organisations, the implication of the study is that in practice the type and size of a company should also be taken into consideration when studying the extent to which the distribution of employee remuneration differs across categories of gender in small to medium-sized organisations in the public or private sector.

The above overview of the research findings provides substantive evidence that despite the extent to which the distribution of employee remuneration differed, based on job function and gender, job function may shed more light on the distribution of employee remuneration in the context of South African small to medium size organisations. Consequently, the findings of the research reported on in this article demonstrate the implications of jobs occupied by different genders for remuneration. Even though further discrepancies within job function may exist between genders, the research nevertheless provides a better understanding of the determinants of employee compensation in an organisation. In conclusion, this study indicates the difficulty of holding gender to account for discrimination in the pay inequality gap in South Africa and offers job function as the only determinant of employee remuneration in small to medium-sized organisations.

13. Limitations and recommendations for future research

This study has several limitations. It investigated only one type of organisation in each industry studied. Therefore, care should be taken when extending the research results beyond the three organisations studied. Although the determinants of employee compensation studied may be common among most organisations, they may not necessarily have the same applications in similar organisations. As a result, it is critical for organisations to take into account the extent of each determinant when determining employee compensation in their particular environment.

A purposive sample was used to select the unit of analysis, which consisted of employees whose compensation was not determined through the bargaining council and restricted to organisations based in the Gauteng area. This could have had an impact on the representativeness of the sample. Only three organisations were sampled, and thus the small number of organisations served as a limitation on investigating the extent to which the determinants of compensation could be predicted in most organisations. Potentially, a large sample of organisations would provide deeper insight into the determinants of employee compensation in an organisation. Follow-up research with a larger sample of organisations as a client base would enable the gathering of data from more organisations across a wider range of industries, in both the private and public sectors.

In conclusion, while there has been a large amount of research on women occupying jobs at lower levels than those of men, there is still a need for further study to investigate the cause of women remaining in lower-level jobs. In turn, the investigation could assist in accelerating the employment of women in core job functions in organisations, which would also bring about a better understanding of the real cause of discrepancies in remuneration when the issue of gender has been removed. By the same token, the investigation into female wage discrimination may also assist in establishing wage equality based on job function. Such research would highlight the barriers women face and could help companies to increase the representation of women in core job functions. The findings of this study further imply that wage gap can be explained by

job function; however, care should be exercised not to use a blanket approach to treating all jobs as if they were the same.

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Apstrakt

Jaz između veličine i pravičnosti naknada zaposlenima teško je dokazati s obzirom na determinante naknada zaposlenima koje su jedinstvene u svakoj organizaciji. Svrha istraživanja na kojem se temelji ovaj članak je ocena raspodele naknada zaposlenima preko kategorije funkcije posla i pola u Južnoafričkim malim i srednjim organizacijama. Korišćen je svrsishodan način uzorkovanja i sprovedena je kategorijalna višestruka regresiona analiza. Ukupni rezultati istraživanja ukazuju na to da postoji značajna distribucija naknada zaposlenima u kategorijama funkcije posla i pola u velikim organizacijama u poređenju sa manjim organizacijama.

Ključne reči: *naknada zaposlenima, pol, funkcija posla*

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