

Women less interested than men in jobs where individual competition determines wages

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Men are more likely than women to seek jobs in which competition with coworkers affects pay rates, a preference that might help explain persistent pay differences between men and women, a study at the University of Chicago shows.

The study, which covered most of the nation's largest metropolitan areas, also revealed regional variation in how much women desire [jobs](#) in which competition plays a role in determining [wages](#). In cities where local wages are generally lower, women tend to want jobs in which competition determines wages, the study showed.

"We know that women, often working at the same kind of job as men, frequently are not paid as much as men," said John List, professor of economics at UChicago and an author of the paper, "Do Competitive Work Places Deter Female Workers? A Large-Scale Natural [Field Experiment](#) on Gender Differences in Job-Entry Decisions," published by the *National Bureau of Economic Research*.

"Some of the explanations for the differences contend they are caused by discrimination or by women leaving the workforce to have children and then returning," he said. "Other people have suggested that men are more attracted to competition than women, and that accounts for the differences."

To test whether differences between men's and women's interest in competition actually affects their job choices, List and a research team created two advertisements on Internet job boards. They posted jobs for administrative assistants, the most common job in the United States. One ad, which was gender-neutral, described the job responsibilities as preparing reports based on news stories and fulfilling typical office tasks. The second ad, for a sports news assistant, was similar, except that the job would entail writing reports about sports stories.

The advertisements were placed on job boards in 16 of the nation's largest cities between January and April 2010. The team then presented respondents with additional information to describe different forms of compensation.

Some applicants were told the job paid \$15 an hour. Others were told the pay was based on individual competition, with a base salary of \$13.50, and a \$3 bonus depending on how he or she did in comparison to other workers.

Another package offered a \$12 hourly base pay with a \$6 bonus if the employee outperformed other workers. Still others were told the job had a competition-based wage, but that comparisons would be based on the productivity of people working in teams.

Of the 6,779 people who responded to the ads, 2,702 applied once they knew the wage structure. Those included 1,566 women and 1,136 men. (About 20 of the applicants were actually hired.)

"When the salary potential was most dependent on competition, men were 94 percent more likely to apply than women," List said.

The study found that although women were much less likely to pursue jobs where individual competition was a factor, the deterring effect on

women could be overcome by having workers compete in teams, rather than individually.

Women were more deterred by jobs in which competition was a factor in determining pay if the local wages in their city were high. For instance, women were less inclined to pursue jobs with competitive wage situations in San Francisco, Washington, D.C., and Boston, where the median wages for other local administrative assistant jobs were about \$13, close to the base pay for the jobs the researchers offered. In cities with lower local wages, the dissuasive effect on women of competition-based pay diminished. For example in Houston, where the local wage was \$10, women actually showed slightly more interest in applying to jobs with a competitive pay structure than men.

List said socialization of women and men may play a factor in the [gender differences](#) in the way men and women respond to pay incentives based on [competition](#). Boys receive more encouragement growing up to be competitive, particularly in sports, while girls frequently are encouraged to be more cooperative, he said.

Provided by University of Chicago

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