



Chapter 5

Supply and demand factors determining gender-related differences in occupation and income, and gender roles switching in occupation



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(1) Career interruption

- ⬢ Having children significantly impacts career progression, as the greater responsibility is for caring for the children.
- ⬢ Disruption in career path while on maternity or childcare leave results in women having less work experience than men.
- ⬢ Difficulty performing demanding and time-consuming tasks (which is a better job opportunity for career advancement)
- ⬢ Most time off work occurs during the first ten years in the labor market (a period of significant career advancement).

Why do the career paths and income for men and women differ?

Norway (Kunze, 2015)

- Women with children had more leave periods and time off than women without children.
- They are less likely to be promoted During the first ten years of the labor market

USA (Bertrand et al., 2010) – Graduates of MBAs from top US business schools.

- The gender wage gap was very high during the first ten years in the labor market due to women having to stop working.

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(2) Educational choices

- Gender disparities in education have disappeared dramatically in developed countries.
- But there is still a big difference in education, especially the field of study that men and women choose. This affects income and promotion in men and women.
- Netherlands (Buser et al., 2014)
 - A 15-year-old boy and girl in the Netherlands, which selects a field of study (specific subject) in a secondary school
 - Although boys and girls have similar academic abilities, But the boy chose a branch that focused more on mathematics, affect the labor market later.

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(3) Hours worked

- ⬢ Even though men and women work in the same occupation, men still work more hours because women
 - Responsible for caring for the children, lose a number of working hours in doing
- ⬢ Fewer working hours negatively affects career paths.
- ⬢ Working many hours increases the likelihood of promotion and comes with increased wages.
 - A small difference in working hours can make a significant difference in earnings

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(4) Preferences and personality traits

🏠 Bertrand (2010) -

Men and women differ in terms of competitiveness, risk avoidance, and attitude toward negotiation.

🏠 These characteristics affect gender differences in careers -

- Women tend to be less competitive than men.
- Women are less eager to negotiate for their own benefit, so, compared to men, they choose careers that are less risky.

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(5) Discrimination

- ⬢ Discrimination is a situation in which equally qualified employees are treated differently based on differences in gender, religion, and ethnicity.
 - However, it is difficult to measure discrimination.
- ⬢ If a difference in income occurs, it may be due to other differences such as in background (education and experience)
 - Discrimination cannot be clearly measured.