



SCHOOL OF
ECONOMICS AND
MANAGEMENT

Bachelor's Programme in Economy and Society

Bridging the Divide

An Inquiry Into Wage Gap Perceptions and Practices in the Field of White Collar Jobs in Sweden

By

Ebba Eneqvist, ebba@eneqvist.se

This thesis investigates the strategies and challenges related to the gender wage gap within Sweden's white-collar sector, exploring how cultural norms and institutional policies impact wage disparities. With a qualitative approach, semi-structured interviews were conducted with professionals across various sector branches to gather diverse perspectives on the gender wage gap. The research aimed to understand the existence and perceptions of wage inequalities and what initiatives have been taken to reduce these disparities. The findings reveal a nuanced view of the gender wage gap and its explanations, including reasons for women not climbing the corporate ladder at the same rate as men and not reaching higher positions within companies to the same extent. Tying back to the theories of Human Capital and the Glass ceiling, findings discuss that women are not given as many prestigious projects or reporting the same hours, leading to wage disparities. The findings also reveal that a higher proportion of women in managerial positions might lead to a more even distribution of female employees and salaries. Moreover, the culture and norms within firms have been shown to negatively impact the gender wage gap negatively, leading to fewer women compared to men seeing a future working at the same company. Strategies to address the gender wage gap include implementing policies targeting parental leave and mapping companies to find unjustified differences regarding positions and salaries. Further research is needed to understand the impact of company policies globally and throughout the workforce.

EOSK12

Bachelor's Thesis (15 Credits ECTS)

May 21, 2024

Supervisor: Luciana Quaranta

Examiner: Gabriel Brea-Martinez

Word Count: 11282

Acknowledgments:

I would like to express my profound appreciation to all of you who allowed me to complete this thesis. To the interview participants, this study would not have been possible without your contribution. Thank you for your responses and engagement; your cooperation and openness have been immensely valuable. All of you truly inspire me. To my family and friends, your support throughout my studies and thesis writing has been my source of motivation. Thank you for believing in my capabilities. Finally, I'd like to give a special thank you to my supervisor, Luciana Quaranta, for your support and assistance during this thesis.

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1. Introduction

1.1 Background

The difference in earnings between men and women defines the gender wage gap; this includes hourly, monthly, and yearly salaries for the same occupation or position. It is a worldwide issue that dates back to the preindustrial era when men and women had different responsibilities based on their ability to support the home and the family (Langdon & Klomegah, 2013). To get a historical perspective on the evolution of the wage gap, Langdon and Klomegah (2013) present World War II as the turning point for women in the labor force. From 1890 to 1990, the proportion of married women in the workforce increased from 5 percent to 60, where the 1940s were the most significant years (Goldin, 1991). As married women had not previously worked outside the home, they entered the labor force to assist with the production needed during the war. However, when the war ended and women remained in the workforce, they were placed in lower-paid roles such as assistants or administrative staff. Men were considered to bring an income to the family and thus placed in higher paying jobs since the family's economic support was always associated with the male (Langdon & Klomegah, 2013).

With the economics of society advancing over the last hundred years, the roles of men and women have been converging (Goldin, 2014). The labor force participation and paid working hours have narrowed significantly, as have men's and women's earnings (Goldin 2014). However, differences in earnings between men and women persist, and Leith (2014) suggests a few explanations. The main historical reason relates to human capital investments. Men tended to have more work experience, education, and training than women, leading to them earning more (Leith, 2014). This is also connected to Langdon and Klomegah's (2013) study, which stated that the issue lay between the differences in occupations men and women have had.

When determining the reasons behind the gender wage gap, Magnusson (2010) discusses how occupational prestige and family obligations could be associated with gender wage gaps in Sweden. This implies that an underlying cause of the existing wage gaps is that women are more likely to have decreased working hours at some point in their lives due to family obligations and childbearing. Her findings also include that the gender wage gap increases between married

women and men with occupational prestige. This suggests that married women with higher professional positions have an increased gap in income compared to men with the same occupation (Magnusson, 2010). McDonald and Thornton (2011) argue that early career decisions are influenced by how men and women perceive their future, such as limiting job searches to remain near family and friends. With this, the authors question whether the gender pay gap is discrimination or a choice between men and women. They also suggest that gender roles in workplaces have a psychological connection, as studies have shown that men are three times as likely to be more centered around their work and perceive their identities according to their occupation (McDonald & Thornton, 2011). Accordingly, women are more likely to value nonpecuniary outcomes, meaning enjoying their occupation and job rather than considering them a social status or identity (McDonald & Thornton, 2011).

In the midst of society moving towards gender equality regarding the working environment and wages, it is compelling to understand how leading companies approach the culture within and decrease the wage gap. The gender wage gap is a pressing concern since it reflects how inequalities exist even within the workforce (SCB, 2024). Despite the advancements made in gender equality, income disparities between men and women persist across many professions and industries, regardless of levels of education. Studies from Statistiska Centralbyrån (SCB), the Swedish Central Bureau of Statistics, have shown that across all sectors in Sweden, women's wages only reached 83% of men's in 2022 (SCB, 2024). The wage gap in Sweden's white-collar sector varies significantly, but the constant trend shows an advantage in male earnings over females, see Figure 1. The data exhibited in the graph presents monthly wages for women and men in professions in the economics sector. The data collected from Statistiska Centralbyrån show that women only earn 81% of men's wages. Through all job positions, this graph includes the wage gap between men and women and shows a consistent pattern with men earning more than women. It can also be seen that higher levels relate to a more significant wage gap, regarding the position "Manager in banks and finance, level 1", where the gap is significantly larger than in the category "banks," for example.

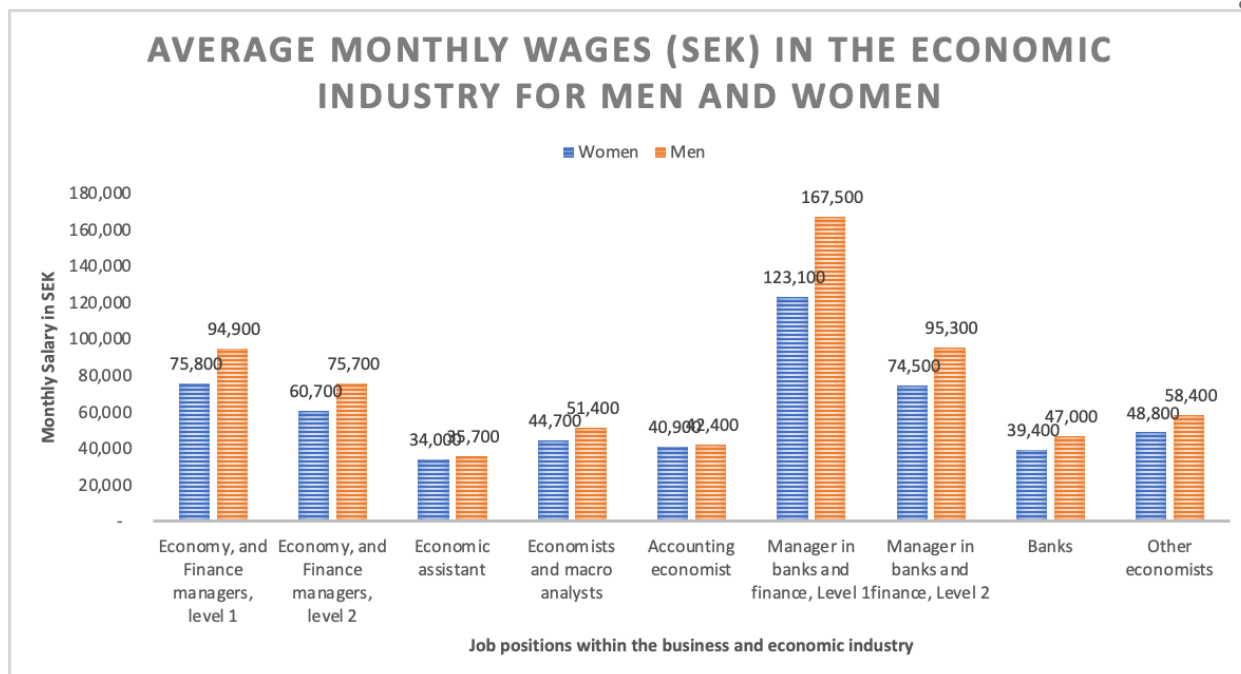


Figure 1: Average monthly wages in the white-collar sector in Sweden for men and women (SCB, 2024)

The data presented further explores how companies perceive wage inequalities within their workforce and industry. This information leads us to believe there is much to understand about companies' strategies and policies to narrow the wage gap and their biggest challenges.

1.2 Aim and Scope

This study aims to explore and analyze the strategies and perceptions of the gender wage gap and wage equality within the white-collar sector. By conducting semi-structured interviews with industry professionals, the thesis seeks to gain insight into how organizations perceive the gender wage gap, the challenges and cultural dynamics contributing to this disparity, as well as the effectiveness of initiatives to address these issues. *Challenges* are defined as resistance when implementing policies and barriers to overcome before introducing new practices. Using a theoretical framework surrounding the human capital theory, the glass ceiling, and institutional

theories of bias and labor market discrimination, this research aims to investigate how these perspectives connect to the practices and policies of companies and how their workplaces relate to previous research on the topic. The scope of this thesis focuses on examining the gender wage gap within the white-collar sector in Sweden. This focus is chosen due to Sweden's global reputation for gender equality policies, which makes it one of the most equal countries in the world. Sweden also has a well-developed economic structure emphasizing service-oriented industries typically found in the white-collar sector. The research is guided by the following research question and sub-question:

RQ: How do companies in Sweden's white-collar sector address gender wage equality, and what impacts do these strategies have?

SQ: What perceived challenges and cultural factors within Swedish white-collar companies contribute to gender wage disparities?

1.4 Thesis outline

The thesis exploring the gender wage gap is organized in the following way: an introduction explaining the background to the issue and why it exists—followed by a theoretical framework and a literature review that guides the discussion of the responses gained. Next, the method and data collection procedure are presented, including research design, data analysis, and study limitations. The results of this study are then presented, discussed, and evaluated with the theories as guidance. Lastly, the thesis is concluded, generalizability is examined, and possible suggestions for further research.

2. Theoretical Framework

This section presents the main theories regarding the gender wage gap in the Western economy. The framework serves as a roadmap when assessing the results of this study. The first subsection discusses the human capital theory as an explanation for women not advancing to the same extent as men within companies. The second introduces the glass ceiling theory, and finally, the third section brings up institutional theories and further possible explanations for the issue.

2.1 Human Capital Theory

Greer and Carden (2021) describe the human capital theory as an explanation of salaries based on investments in human capital such as jobs, education, age, and informal job training. This implies that individuals with longer work experiences tend to be paid more since their investment in experience can be linked with higher productivity (Greer & Carden, 2021). This can also be applied when looking at university graduates, who usually are paid more than those who are not. The informal training on the job, as well as the formal training, are those that lead to more significant opportunities and promotions. Although school is a form of accumulating human capital, it can also be acquired through the job. In & Doucouliagos (1997) argue that working the same job consistently may give the worker more opportunities through job training than classroom training. As it takes substantial effort to gain human capital through the workplace, women who do not see a future within the same company or take time off, such as maternity leave, will acquire significantly less human capital (Polachek and Blau, 2003). A study by Blau and Kahn (2017) shows that the decreased gap in education between men and women has led to human capital factors playing a more minor role in the gender wage gap. Langdon and Klomegah (2013) also argue that although education lifts all incomes, it increases men's incomes much more than women's.

2.2 Labor Market Discrimination and the Glass Ceiling

This metaphor, the "Glass Ceiling," was initially introduced to show the blocked promotional opportunities for women in the corporate hierarchy (Espinosa & Ferreira, 2022). The concept of

glass ceiling inequality is a difference defined by gender or race, which cannot be explained by other job-relevant characteristics of the employee, which increases when moving up the hierarchy (Espinosa & Ferreira, 2022). One part of this theory includes the probability of promotion for women, which becomes smaller at higher levels and results in the ratio of women to men being a lower proportion at the top levels. The solution for gender equality within the workplace and earnings is not simple, but Goldin (2014) argues that labor market alterations must be done. She means that the gender pay gap can be significantly reduced if firms do not incentivize those who work longer hours or “harder” projects. This can already be seen in some sectors, but far from all (Goldin, 2014). This is the main reason for women’s underrepresentation in the upper part of the earnings distribution and higher company positions (Bertrand, 2017; Goldin, 2014). This is often referred to as the “glass ceiling,” and Bertrand (2017) has found that this theory can be highly applicable to the sectors of business and finance in the economy, where her research has shown that women in the US only hold 20% of the corporate board seats and 5.8% of CEO positions within those companies. In Europe, these numbers come up to 23% and 5.1 percent respectively, despite women taking a part of 45% of the labor force (Bertrand 2017).

2.3 Institutional Theories

Institutional theories include the traditional views of women in the workplace and how they relate to the structure of companies. Zimmerman (2021) found that having females in manager-level positions affected the female-to-male ratio within companies but also reduced the unexplained gender wage gaps for the median firm. One explanation was that firms with female managers had a more equal distribution of wages (Zimmerman, 2021). Building on this theory, Hultin (2003) argues that the underrepresentation of women in managerial and supervisory positions in organizations explains gender wage inequality. This can be explained using institutional biases, which refer to systematic and cultural norms within companies that only favor certain groups over others, typically men (Bertrand, 2017). The background to these biases is the beliefs and stereotypes about gender roles, which go far back in history (Bertrand, 2017). In many ways, this influences organizations in the hiring processes, promotion decisions, and daily operations. The biases, which can be subconscious, involve a particular preference in

communication and decision-making that is stereotypically associated with men and, hence, disadvantaging women who may have different approaches (Bertrand, 2017). The norms mentioned by the author can be the main reason women have significantly higher barriers to advancement. This ties this back to Zimmerman's research (2021), arguing that women in managerial positions could be a solution to narrowing the wage gap. Women could prefer hiring female workers to match their type of communication and decision-making, just like the corporate world looks from men's perspective.

3. Literature Review

This literature review will be divided into three subsections, discussing previous research on gender pay differences within the white-collar sector. The review will serve as a background to the issue of the gender wage gap to build a foundation for the results. It will discuss the corporate perception of the issue, the research made to understand the underlying issues, the previous research on strategies to narrow the gender wage gap, and the possibility of generalizing the wage gap from a global perspective.

3.1 Corporate perception and strategies

To understand the representation of women in specific industries, Cooper et al. (2020) have researched the investment management sector in which women are chronically under-represented. While this is a crucial industry that sustains substantial global economic power, the authors find it necessary to underline the sources of underrepresentation and marginalization of women. They find that the industry's specific structures, such as norms and practices generated, restrict women's ability to engage with and progress within investment management careers (Cooper et al. 2020).

Theories focus on institutional, organizational, and individual factors that influence women's career choices and lead to spillover effects of gender norms (Cooper et al., 2020; Meeussen et al., 2016). Cooper et al. (2020) find that industry-level norms and practices bind organizations' operations. The authors aim to fully understand women's career pathways by incorporating how industry-level influences align with theoretical models. As Meeussen et al. (2016) argue, the combination of work, gender identities, and family aspirations is the leading cause of women's career choice and lower-paid jobs. Cooper et al. (2020) main finding includes women's perception of difficulties experienced when balancing demanding and time-intensive jobs with non-work responsibilities such as caring. Women are found to be more sensitive to long working hours, work-related travel, and poor access to flexible working options. Another significant finding by the author was the challenges associated with working in a "masculinist" or

male-dominated industry. Women experienced gender-biased decision-making as well as professional and social exclusion.

Another aspect and sector discussed by Acker (2006) is the gender regimes within companies, which is relevant when understanding how both genders perceive culture and how it could affect the wage gap. *Gender regimes* are the norms and practices that define gender roles and expectations within societies or institutions. When understanding how gender regimes operate in organizations, Acker (2006) studied processes and internal structures of how men and women are distributed into different tasks and positions within Swedish banks. She argues that the banking industry is an excellent example of an organization with a high internal gender hierarchy, where wages, tasks, and positions look very different depending on the worker's gender. A possible explanation for these gaps could be the pathway chosen after finishing undergraduate education (Lazetic, 2020). Acker (2006) argues that women working for banks have a lower internal status and lower-paid jobs. She believes that this reflects the concept of gendered organizations, which is the idea that industries or companies can be associated with a specific gender.

3.2 Strategies used in narrowing the gender wage gap

With regard to the theories of this paper, it is essential to examine the literature investigating approaches toward the gender wage gap. Understanding the effectiveness of different approaches and connecting them to the theory requires understanding the factors contributing to the issue and the initiatives addressing them. Arulampalam, Booth, and Bryan (2007) analyze the gender wage distribution across several European countries, using regressions and linking them to the glass ceiling effect. Their findings highlight the need for targeted policies addressing the gender wage gap at different levels and positions. This includes mapping the issue in order to find unjustified disparities. The authors suggest interventions such as promoting women to senior positions to increase their representation in relation to men in those positions. To succeed with this approach, it is necessary to ensure that men and women gain the same amount of education and training in the workplace (Arulampalam, 2007). Another author's finding is the need for policies aimed at childcare and parental leave (Bertrand, Goldin, & Katz, 2010). They suggest

that women who do not have access to parental leave might quit their jobs or lose them once having a child and then re-enter the workforce at lower-level jobs that provide shorter hours or lower pay. On the other hand, women with access to parental leave will experience higher relative earnings because they keep their connection with the company and hence increase their gain in firm-specific human capital by not quitting their jobs (Arulampalam, 2007).

In the importance of supporting women in maintaining their jobs during childbearing and parental leave, Bertrand, Goldin, and Katz (2010) analyze the relationship between MBAs and how differences in earnings between the genders evolve. Their findings include that men and women with MBAs have nearly identical earnings at the beginning of their careers. However, they see a significant divergence over time. The study suggests a few factors contributing to this convergence, with the most weight given to career interruptions and weekly hours worked. Career discontinuity and shorter work hours are strongly correlated with gender, according to the authors, who also connect this with family and parental leave. The findings of this study indicate that policies aimed at supporting women throughout their careers using different policies aimed at parental leave are crucial for narrowing the wage gap.

Arulampalam, Booth, and Bryan's (2007) suggestion to increase the representation of women in senior-level positions is in line with Zimmermann's (2021) research exploring the impact of female-level managers on the gender wage gap. The author has found a link between having more female managers and a narrowing in the gender wage gap. Her study suggests that female managers, through their interaction with workers, will influence wage-setting decisions more equally between the genders. Implementing policies that support women's career advancement, such as promotion or gains in human capital, is essential to equal the wages of men and women (Arulampalam, Booth, and Bryan, 2007; Zimmermann, 2021). Zimmermann (2021) also suggests that this strategy would strengthen the overall effort to narrow the wage gap, as female managers, through direct interaction with employees, are more effective than relying solely on organizational policy changes.

In their work (2020), Whitehouse and Smith investigate the principle of "equal pay for work of equal value," highlighting its potential to approach gendered norms when setting wages. To overcome barriers to implementing policies such as norms and a segmented labor market, the

authors argue for a comprehensive wage-setting system allowing for broad comparisons and systematic assessments of work value. This type of mapping could lead to significant advancements in gender pay equality (Whitehouse & Smith, 2020).

Collectively, these studies stress the complexity of the gender wage gap and the need for varied strategies to address it. Arulampalam et al. (2007) argue that the entire wage distribution and the glass ceiling should be considered when implementing policies, while Zimmermann (2021) emphasizes that the role of female managers is directly connected to influencing wage disparities. Whitehouse and Smith (2020) advocate for structural changes in wage-setting practices, and Bertrand et al. (2010) highlight the impact of career interruptions and work hours on the gender wage gap.

This literature points to combining these strategies to narrow the gender wage gap effectively. Promoting women to higher positions can have an immediate effect within organizations (Zimmerman, 2021). Addressing structural issues in wage-setting practices and staying consistent with the principle of equal pay for work of equal value is essential for long-term change (Whitehouse & Smith, 2020). Lastly, policies must be customized to address challenges and support women staying in the labor market, as highlighted by Arulampalam et al. (2007) and Bertrand et al. (2010).

3.3 Gender wage gap and economic development

The gender wage gap is not uniform cross-nationally, as Sherri Haas (2007) explained. In her studies, however, she suggests that models can be globally applied to explain the effect gender inequality within pay has on economic development. It is essential to highlight that the gender pay gap affects not only women but society as a whole, including their families, children, and future generations (Haas, 2007). Eastin and Prakash (2013) argue that economic development and gender equality have a relationship where both factors affect each other. In Haas's (2007) work, she applies Kuznet's inverted U curve to the issue of income inequality (see Figure 1). The

study suggests that the curve's pattern can be expected to measure gender income inequality within a country.

Continuing on this, Eastin and Prakash (2013) have built on the concept of Kuznet's curve and suggest that the relationship between economic growth and income inequality is curvilinear. From an unequal perspective, a country's economic growth stages begin as they develop the industrial sector and demand labor only offered to men (Haas, 2007). This results in a more significant wage gap between men and women. When the economy then moves to service sector jobs, the opportunities for women to join the labor force increase, and hence, the wage gap decreases (Haas, 2007). Building further on this research, Eastin and Prakash (2013) argue that the phases of their curve represent that economic development first should improve gender equality, then plateau or even decline, and finally rise again. The reasoning for the second stage is similar to Kuznet's curve, where the move to manufacturing in a country opens up fewer job opportunities for women (Eastin & Prakash, 2013; Haas, 2007).

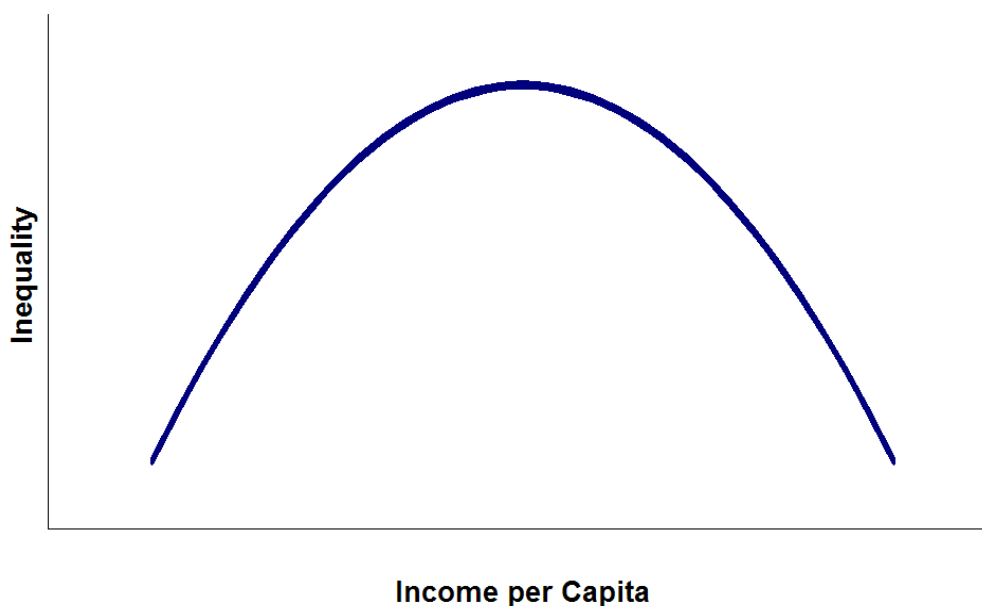


Figure 2: Kuznet's Inequality Curve (Haas, 2007)

Looking at the beginning of the curve and applying it to the early stages of economic development, the gender wage gap is argued to narrow as women gain access to education and entry-level jobs (Haas, 2007). However, as the economy grows, the gender wage gap initially

widens as men tend to be more represented in higher-paid sectors. However, as the economy matures and the demand for skilled labor increases, the wage gap decreases again (Haas, 2007). Applying Kuznet's curve to gender wage inequality provides a nuanced understanding of which economic variables affect gender equity. Haas (2007) means that this can contribute to the understanding of how economic policies impact gender disparities.

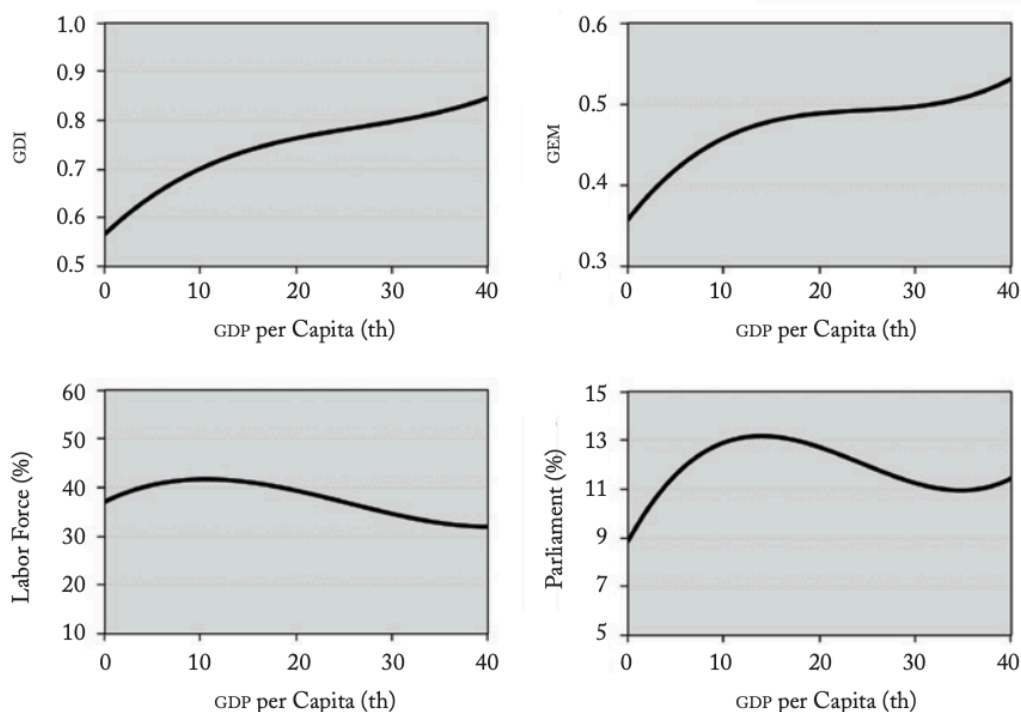


Figure 3: Gender Kuznet's Curve (GKC) (Eastin & Prakash, 2013)

With the framework of the original Kuznet curve, Eastin and Prakash (2013) studied the nature of the theory. They argued that the relationship between economic development and gender equality is non-monotonic and best described by an S-shaped curve. The authors explain the first phase of the curve similarly to Haas (2007), meaning that economic development initially improves gender equality as women gain employment opportunities. When development continues, gender equality may flatten out and sometimes even decline as economic benefits may favor men to a greater extent (Eastin & Prakash, 2013). The third phase is introduced when the

economy reaches a certain development threshold and gender equality improves. The authors argue that the higher the educational attainments for women, the more women will be in higher corporate positions (Eastin & Prakash, 2013).

This literature suggests that policy implementations that address underlying gender inequalities are crucial to promoting economic growth (Eastin & Prakash, 2013; Haas, 2007). Haas (2007) suggests that further research is necessary to understand the impact of different types of economic activities, such as exploring sub-sectors and their effects on the gender wage gap.

4. Research Design

This chapter is divided into seven sections describing the methodology applied to the research's aim. The first discusses the objective and the approach used. Next, the selection of participants and the criteria for participation are discussed. The data collection will then be presented, including the interview format and language, followed by the data analysis procedure. Due to the nature of the study, ethical considerations used during the research phase are presented. Lastly, the study's limitations are discussed, and a section reflecting on how the researcher's personal background has affected the study's approach.

4.1 Research objective

To answer this study's research question and aim, a qualitative research design was used to gain deeper insights into the perceptions and strategies for narrowing the gender wage gap within companies of specific industries. A qualitative approach was appropriate to enable this deep understanding of the corporate world's complex organizational behaviors and attitudes, which can not be found through quantitative studies (Clark et al., 2021). Understanding the gender wage gaps through a qualitative study also allows for a more nuanced understanding that is not quantified but discussed and evaluated. This enables a deeper understanding of why decisions are made and which strategies are implemented. As the qualitative research method is flexible, it allows for an exploratory focus where the focus can be based on the initial findings, which could be very useful when encountering unexpected insights. The objective of the qualitative phase was to gather broad ideas, perceptions, and attitudes toward the gender wage gap through several different companies within the white-collar sector.

4.2 Participants

4.2.1 Interviews

The data collection used for this study mainly consisted of semi-structured interviews where the participants were asked the same questions and allowed to elaborate through discussion and

follow-up questions. Interviews open up a more in-depth exploration of the participants' perceptions, experiences, and intentions, which is not as easily captured through surveys (Clark et al., 2021). The interaction gained from interviews also extends to body language and the emphasizing of words and strategies. The participants were allowed to express their thoughts in their own words, giving a comprehensive view of their perspectives and understandings (Clark et al. 2021). This method of gathering data will also allow for information that can not be accessed through public studies or surveys to be found (Clark et al., 2021). Due to the interviews being flexible, the researcher could dive deeper into the issues and methods raised by the participants and find new leads to follow during the conversation. The objective was to understand how and why companies implement specific strategies to narrow the wage gap and compare industries to find their differences. To conclude, interviews are a very practical method for finding information through a qualitative method.

4.2.2 Sampling method and participation criteria

The choice of whom to interview was made through purposive sampling, meaning the individuals selected have specific characteristics and knowledge that align with the research objective (Clark et al., 2021). Through this non-probability sampling method, the participants must differ; the key factors are what company they work at and in which sector. The difference between the participants is that they work at different organizations, allowing the results to gain insights from several views. This will allow for a comparison across the sample and the identification of similarities and differences (Clark et al. 2021). The criteria set when finding interviewees were as follows: they must work within the sector studied and have knowledge or experience working with gender wage inequality, which was found through LinkedIn, where the participants were later contacted. During the initial contact, the participant was given some information about the research project and asked if they thought they could contribute through an interview. If not, they were also asked to give a referral, if possible, within the company for somebody more appropriate. Since the study is based in Sweden, the participants must also work and operate in Sweden. Preferably, the interviewee has to work within human resources but will not be limited to doing so as some companies do not use the same names for the positions, and

some employees might have the knowledge required to participate in the study. The sample size consisted of six participants who all work at different companies considered to be white-collar.

4.3 Data collection

4.3.1 Interview format

An interview guide was followed during the semi-structured interviews (see appendix). The questions were formulated carefully to fit the aim and purpose of this study. Due to the nature of the structure, questions could be asked in slightly different orders depending on the answers from the interviewees. With the dynamics of semi-structured interviewing, the researcher can depart from the guide to gather the best data possible from each interviewee (Clark et al. 2021). This also allowed the participants to ask for elaboration on specific questions or add anything they found appropriate toward the end of the interview. The participants were also given the questions a few days before the scheduled interview. Firstly, this allowed for effectiveness and time efficiency during the actual interview. However, most importantly, it also gave the participants time to reflect on their answers, ensuring they included as many details as possible during the interview. The interview was approximately thirty minutes and was held over Zoom or Facetime.

Before the interviews, a pilot interview was conducted on participants who fit the criteria but were not included in the results. The pilot interview process helps identify problems with the interview preparations (Clark et al. 2021). This led to the exclusion of a few questions that were shown to be unnecessary or irrelevant. It also resulted in reorganizing a few questions to allow for a good flow during the interview.

Each interview was recorded and the recording aimed to support the interview documentation for an accurate interpretation (Clark et al. 2021). The recordings were then transcribed both manually and using Klang AI for effectiveness. Although the software was used, each transcript was listened through to match the generated version.

4.3.2 Language

Clark et al. (2021) highlight the importance of ethnomethodology in conversation analysis. This topic includes the concept of reflexivity, which is the idea that spoken words help construct the social world where they are located (Clark et al., 2021). Conversation analysis is a method to in detail decode an analysis of a conversation and the meanings behind the words used, for example, how specific sentences are emphasized (Clark et al. 2021). This was done by noting sentences or phrases that were emphasized more than others to find what was most valuable from the participants through their language. To acquire a deeper understanding of the reasoning from the participants, all interviews were conducted in their native language, Swedish. This enabled them to feel comfortable and express themselves freely by finding suitable words and phrases for their reasoning. The expressions might have been limited to their language knowledge if the interviews were to be conducted in English.

4.4 Data analysis

The qualitative data has been approached and coded using thematic analysis, which allowed for a flexible interpretation when identifying and analyzing patterns within the interviews (Clark et al., 2021). The initial phase of this method includes familiarization with the data collected, which was done through transcribing the interviews and listening to the recordings several times to build a background for the more structured analysis. After getting to know the data from the interviews, the coding was started, which involved breaking down the interviews into smaller pieces or segments (Clark et al., 2021). The codes were categorized according to the chapters found in the analysis, initial perception of the gender wage gap challenges connected with it, successful strategies used, and concluding thoughts on lessons learned. After the first coding cycle, the categories of answers were grouped into potential themes, where codes that were similar or shared characteristics were linked.

4.5 Ethical Considerations

4.5.1 Consent

This research will adhere to the ethical guidelines outlined by Lund University School of Economics and Management. Before the interviews, all participants were provided with a consent form from LUSEM that explained the study's purpose, the data collection procedure, and their rights as participants. This included the right to withdraw from the study at any point without any consequences. The participants were also asked to consent to recording at the beginning of the interview. Attention was given to ensuring the participants understood that the topics discussed may be sensitive to them and that they were not obligated to answer any questions that made them uncomfortable.

4.5.2 Confidentiality

To protect the confidentiality of the participants, all interviewees were informed that no names or company names were to be mentioned in the writing of this thesis. The names of the participants were then altered in the transcription process. All digital recordings and transcripts were saved only for the project's duration and only accessible to the author. Upon completion of the study, all recordings and transcripts will be permanently deleted. The participants have also been informed of these measures through the consent form, ensuring their awareness of how the data will be protected throughout and after the conduction of the research. The data collected was used for this research only, and it was also communicated to the participants.

4.6 Limitations

This research has aimed to explore and investigate the strategies companies use within the white-collar sector in Sweden to narrow the gender wage gap. While the methods used have given a deep understanding of complex organizational behaviors and individual perceptions, the study's limitations must be addressed. These limitations are found in the methodology, sample selection, data collection procedure, and analysis techniques. Recognizing these to interpret the

findings and future research accurately is essential. This section provides a transparent overview of the factors that could influence the applicability and generalizability of the results.

4.6.1 Methodological limitations, biases, and limitations in the interview format

The first limitation of the methodology is the sample size, with only six participants and interviews. While the purposive sampling method is effective for gaining deeper insights into the topic, it does not allow for the generalization of findings across all companies within the white-collar sector in Sweden. A limited number of interviews may only capture some possible perspectives and strategies used across the sector. Even though the study attempts to cover a diverse range of companies within the sector, the roles of the participants could be seen as a limitation as they might have different or limited insights regarding company policies. However, the most common role for this study has been that of human resources managers who are actively involved in the issue of gender equality. They were then seen as the most appropriate to interview in order to gain as much information as possible during each interview.

The data collection was done through interviews and video calls. This may have affected the data quality compared to an in-person interview, such as missing some body language or the participants expressing themselves differently.

Qualitative research is interpretive and relies on the ability of the researcher to code data, identify themes, and draw conclusions. This process can also be influenced by the researcher's personal beliefs, experiences, and perspectives based on the theory. The factors mentioned can also shape how the questions are framed and which results are emphasized. When categorizing or coding the data, the researcher decides which parts of the answers are significant, making this process subjective since it depends on the researcher's interpretation. The researcher can have a bias regarding the analysis, meaning that the conclusion made is based on interpreting the results and how they tie back to the theories. There can also be a bias in formulating the questions to get specific answers. However, stating as many open-ended questions as possible could limit this.

Another limitation involves social desirability bias. Participants might respond to questions based on what they think is socially acceptable or what they assume the researcher wants to hear rather than form their own beliefs or experiences. This could lead them to provide answers they

believe the researcher is seeking. Since gender equality is a sensitive topic, the respondents might underestimate their negative experiences or overstate the company's efforts to address the wage gap.

4.6.2 Generalizability

To avoid generalization of questions where only some participants could provide answers, those questions were excluded from the analysis. This decision helps ensure that the conclusions drawn reflect the entire sector, avoiding any assumptions about parts of the data where responses were not uniformly available. However, this approach also presents a limitation; by excluding some questions, we might miss out on essential insights from those few responses that could have shown something different or valuable. While this approach helps to avoid guessing about parts of the data, it also means the complete picture might not be shown.

This study focuses exclusively on companies operating in Sweden, meaning that the findings might not be applicable globally or in other contexts. Sweden has government regulations regarding the wage gap and equality that might differ from those in other countries, resulting in the use of different strategies in different locations. The results and conclusions might not be suitable for other industries and sectors either, even if they are located in Sweden.

4.7 Reflexivity

The subject of reflexivity evolves around how the researcher's background and assumptions have influenced various stages of the research process, from framing the research question to data collection and analysis (Clark et al., 2021). Firstly, being a woman might give a different perspective on the issue of the gender wage gap than a man would view it. With a background in social sciences, it is essential to recognize that the perspective gained on gender equality and labor rights could have subconsciously influenced the framing of interview questions. When conducting the interviews, the researcher's expectations might affect the interactions, leading to the social desirability bias discussed previously.

5. Empirical Analysis

This chapter will present the findings from the in-depth interviews conducted with six participants from various economic sectors focused on wage setting. The section will be discussed in two parts. The first aims to analyze and connect these empirical observations with the theoretical framework concerning gender wage gaps. Insights from the interviews will be examined through the lenses of the human capital theory, glass ceiling and labor market discrimination, and institutional theories. This will provide a broad understanding of the challenges and initiatives within the white-collar sector. The second part will provide a more personal, reflective analysis of what the findings mean beyond the theoretical framework and reflect on the implications of this study.

5.1 Results

When conducting the interviews, several themes became apparent and reoccurred during multiple sessions. It was evident that the corporate world is highly aware of the gender inequalities regarding wages and other factors affecting the work environment. Throughout the sessions, the companies' perception of the wage gap within their sector and company was discussed, as well as the measures taken to promote equality. The findings can be categorized into a few major themes: understanding the issue of wage gaps, challenges within the industry, strategies and initiatives, evaluation and feedback, competitive analysis, and future outlooks.

5.1.1 Perceptions of the wage gap

When the participants were asked how significant they believed the wage gap was in their sector, the answers varied quite a lot. However, the main takeaway from the interviews is that the wage gap exists across almost all sectors but not in the typical way one could expect, which will be further discussed in the next section. When looking at each sector, the wage difference between men and women is not seen in people with the same position at the same level.

One participant discussed their firm as different from others within the white-collar sector and described the base salaries at each level, which are the same for everyone, whether you are a male or female or have a different ethnicity. The difference is seen in the bonuses, which are performance-driven. However, this also means that a man and a woman working at the same level and performing the same will have the same salary (Participant, 1). The issue does not lie in women receiving a lower salary because of their gender. This suggests that the wage disparities are only sometimes apparent, which requires a deeper analysis of where they might lie. Participant 4 elaborates on the dynamics within their organization, acknowledging that wage discrimination by gender might not be present today. Still, the historical role of distribution within positions influences different levels of the organization. Suggesting that the representation of men might be more extensive in higher-level positions, consequently leading to a difference in overall earnings across the genders.

For us, there has never been a discussion about whether women or men should earn more than the other gender. Historically, there have been more women in junior roles with us, and as you move up to the management group, there have been more men. (Participant, 4)

Generally speaking, there might be a difference, but it has definitely decreased... It is important to actively work with strategy here to ensure that salaries are always based on performance and no other factors. (Participant, 6)

The participants' acknowledgments suggest that the issue of the gender wage gap is complex and requires further investigation into why and where it exists. Concluding this theme, it is evident that base salaries might not differ significantly between genders, but bonuses and representation at different levels may play a bigger role in explaining the wage gap.

5.1.2 Challenges in culture and policies

As mentioned previously, the issue of the gender wage gap extends beyond the simple thought that women and men have different salaries based on their gender. To get a deeper understanding of why the gender wage gap exists within companies, it is important to highlight the role of

cultural norms and institutional policies. Organizational culture and policies define a company's strategic direction and influence employees' experience. This section will discuss how these cultural norms and policies contribute to the gender wage gap.

After conducting the interviews, it is evident that while formal policies support wage equality, culture and traditional gender roles continue to influence the environment within companies. A common theme observed by the participants is the issue of having women see a future within the company and stay working there.

Our sector faces extreme challenges when it comes to diversity, specifically issues regarding gender. First and foremost, we do not see enough women staying within the sector... We can see in the employee surveys that men, to a greater extent than women, see career development for them within the company. This can indicate that women don't believe they receive the salary they deserve. (Participant, 2)

Participant 4 mentions similar observations regarding the issue of recruiting women and their seeing a future within the company:

Within our industry, I would not say the issue of the gender wage gap is significant. However, our biggest problem is that we have too few women... It has been hard for us to get women interested in the type of work we do and find incentives for them to stay within the sector and company. This means that we must keep developing strategies for women to see a future career with us... (Participant, 4)

Not having employees see a future at a certain company might not be a considerably large problem. But when this issue remains over time and is connected to a certain gender - women, the concern grows significantly. Tying this back to the theory of the Glass Ceiling, discussed in chapter 3.2.2, and the fact that top positions within companies are majority occupied by men, the explanation can be explained vice versa. Women not being represented at higher levels leads to them believing that climbing is harder for them than for men. Continuing on this, when the participants were asked what factors they believe contribute to the challenge of gender equality,

some showed a concern for the culture and work environment. Others did not express any specific challenges but pointed out the main problem with having too few women interested in the type of work they do. Participant 6 discusses the issue of uneven distribution at different levels: “*Generally speaking, we can see that men still hold more senior positions than women, which shows an uneven distribution.*”

In the theme of culture, participant 2 and 3 resonated like this:

I believe there is a cultural issue that we are now trying to address, which I think the entire industry must do and has been trying to do for many years... I believe certain parts of the company have a very “laddish” atmosphere that makes women feel isolated... For example, there are group chats and dinners where only the men are allowed to participate, and these informal networks significantly affect the company if there is a dominant majority of men, then there are just a few women who are not allowed to participate. We must understand that this is unacceptable, which we do and are working against... We need to get our managers to understand that there are prejudice, even though one might not think so, and identify these in order to work against them.

Participant 3:

Generally, I think those who are more outgoing and dare to take space in a room are also the ones who often challenge the salary. Those who often shout the loudest can drive up their salary more, while those who are a bit more introverted might be satisfied with what they have. I don't want to generalize, but I think men might have it easier in negotiations.

Participant 1 gave an additional view that could explain why women do not see a future in companies as men do. This is also a possible explanation for why we see fewer women in leadership positions or at higher levels:

The big differentiator for us has been parental leave. That is, if you go back 5-10 years, it was primarily women who took parental leave, and men maybe only took two weeks or a

month of paternity leave... And that means that over time, the time between levels becomes differentiated. All of a sudden, men are two years ahead because they were not away on parental leave

The topic of parental leave and individuals, regardless of gender, falling behind in climbing the ladder can be connected to the theory of Human Capital, discussed in Chapter 2.1. This theory discusses the human capital gained apart from education in school, such as on-site job training and years of experience working. Building on this, Participant 2 has given an additional example as to why women might fall behind:

Men were given more prestigious projects to a greater extent than women, and both male and female partners did this. These were projects that maybe drove many hours or projects that were considered more prestigious in the way that one developed more. Of course, this led to higher bonuses and salaries.

I also think there is the issue of representation. If you are a man, you might value certain traits that we can perceive as quite conservative within the finance industry. These traits are valued more highly, and this salary setting becomes very subjective.

The second comment from Participant 2 can be connected with Chapter 2.3. The theory states that a solution to the gender issue at workplaces could be having more women in leadership positions, as it has been shown to increase equality. If women tend to hire and value like-minded individuals more, resulting in women receiving a higher representation, it can be assumed that men do the same. This can be seen in this answer of men valuing certain traits and becoming conservative within their work and hiring.

5.1.3 Strategies and Initiatives

Companies have implemented policies to overcome the challenges connected with gender and the wage gap, and throughout the interviews, it was evident that all are very aware of the issue.

They also understand that in order to create a work environment where everyone feels welcome, has the desire to stay, and attracts new employees, they need to work actively with these strategies. It is also important to show transparency from an external perspective. Firstly, this incentivizes competitors to approach similar issues, but it also informs future employees that the company works to protect the equal environment. The most common theme discussed by the participants was a mapping of the wages. Seeing the whole picture of incomes within the company allows for investigations to be made where they find a difference that can not be justified and then take action thereafter. Participant 5 described their strategy the following:

Something significant we have done is an independent review of our salaries and salary structure with an external party. We have continued to work on this and corrected the imbalances with unjustified wage differences.

We also have a large project that extends beyond just wage differences, focusing on diversity, belonging, inclusion, and equity. Within this project, we work globally in all parts of the world, so this is a parameter for equal treatment. It also includes ensuring that there are no unjustified wage differences between men and women but that they should be fair. So this is very important for my organization.

It is clearly stated in our guidelines from the state that we should ensure equal treatment when appointing to positions... I think we should aim for a 40-60 distribution, but ideally, we would want 50-50, but this has to be done in stages. The idea that there are no women to hire is something I don't believe because there are, and this is something that spills over into the salaries. But as mentioned, this is something we are working very hard on.

A similar answer can also be found with Participant 6:

It is very important to work with strategy because pay is performance-based. The most important thing to do is map the wage difference between men and women so that we know where to apply the strategies. And then always have the ambition to want to reduce

the gap. Something we strive for is to have as many women in leadership and managerial positions as there are female employees.

Participant 2 also discussed the importance of mapping wages and provided a possible explanation for why the wage gap might be perceived as bigger than it actually is, which makes it even more important to approach and work with.

Our goal is to strive for equal pay. I believe that it is now equitable at a junior level, meaning those who have worked with us for 1-5 years. This is because we are aware of the problem and better at setting equal salaries. In addition to this, we also conduct salary surveys. However, this is from the perspective of the unadjusted gender pay gap. This results in very large wage differences, as we compare the occupational groups within our company with low wages, where we often see women. These might be roles in invoicing or reception, often staffed by women, whereas in sales, it is predominantly men. Then, the wage gap quickly becomes quite insane...

Therefore, we have started a process where our HR department clearly divides the company's roles. You should have this salary if you have worked here for 5 years with a specific responsibility. And this is the first step in conducting an unadjusted pay gap analysis. The next step, which we will do next year, is to have really set these roles and then have a mapping to see if there are differences. If there are differences, we must sit down with the respective department head and look at why this difference exists. It would take a lot to justify why that difference is there.

To approach the uneven distribution of women to men at leading or partner positions and the time it takes to promotion. Participant 1 explained that their most distinctive divide lies in parental leave. This aspect can be tied to the human capital theory and the glass ceiling. Together, they argue that women gain less human capital throughout their working years and hence, do not reach higher levels to the same extent as men.

Participant 1:

We have worked a lot on parental leave. And not in the way that we reduce the women's time away but by increasing the men's. If you equalize it, the difference between men climbing faster in the company disappears. So, something I have worked very hard on in the last 5-10 years is to promote paternity leave so that everyone takes parental leave and there isn't any uneven distribution over time in the system.

Another thing I want to mention about parental leave is that it is important, in all jobs and not just with us - that it's not just the months you are on parental leave during which you lose time; it's also about getting back up to speed. For example, if you're off for eight months, you don't just lose eight months but a whole year. Therefore, it is important that parental leave relates to everyone, not just women. Because if everyone slows down equally, it becomes equal for everyone... We implemented a new policy regarding parental leave in the Nordics, and taking parental leave suddenly became incredibly attractive. You get paid a full bonus and full salary for 8 months.

5.1.4 Outcomes and Lessons

Implementing policies and making structural changes in organizations seemingly does not always run smoothly. The participants were asked if they encountered resistance while introducing new changes to target the wage gap and gender inequalities at their companies. While a few companies did not experience any major difficulties, they highlighted that organizational changes commonly can be difficult to implement; however, having the right intentions usually results in a good outcome, and employees accept the changes. Participants 1 and 2 gave their insights on the policy of parental leave and what response they received from the companies, as well as some learnings and where the organization stands today.

Participant 2:

Often, it is not the men in our company who take parental leave - because the bonus they receive is a very substantial income for the person's family. Therefore, they do not want to

take parental leave, and my suggestion was that we should still have some form of bonus, maybe not 100%, but some bonus anyway. But they thought that was very unfair because you shouldn't get a bonus if you're not working. But from the female perspective, it feels like the company is saying, 'We don't think women should have children.'... Because if we have children, we are suddenly penalized for not getting a bonus. Because we must be off for a certain time, you can't put a 2-month-old baby at daycare... They hadn't thought of that, but it didn't matter too much; they think it's more important to reward those who work than women who have children. And as long as we have this system, men will not take parental leave.

Participant 1:

Looking back 5 years, those who started working for us at the same time were suddenly two steps ahead because they hadn't taken parental leave. This can give the wrong impression, and one might ask, are we doing the right thing or not? Are we doing enough? But now you start to see that it is beginning to disappear. But let's be honest, it still exists. However, previously, we had 4 weeks of parental leave for men, and now we have 5 months. But women still have, on average 8 months of parental leave... This still feels very good, and it has many positive consequences as well. Many more people understand it, and everyone is in the same situation.

When you implement policies, you always meet resistance. When we did this about parental leave, we introduced the new policy in the Nordics. And then the resistance was, "Well then, men will start taking parental leave," and YES, but that is great!... So there's always a challenge against the status quo, but it's been 4 years since we did this. And now people are very proud that we are in the forefront. So, we have been written about in this regard against companies with parental leave conflicts. So it's about always facing resistance, and you have to dare to push through it. As long as you have the right intention, and in such large companies, it is not about changing requirements or merits. We don't change anything; we just level the playing field so everyone has the same opportunities.

Comparing these answers, where Participant 2 and their company have not implemented parental leave policies to the same extent as Participant 1's, it is evident that there are some differences and learnings to gain. Participant 1 encountered resistance when first implementing policies concerning men taking leave and hence losing a significant amount of the workforce for a period of time. However, the participant also highlights that introducing new policies with the right intentions is mainly about pushing through the resistance. With the benefit of hindsight, they are now proud of this established change for the company.

Continuing, regarding the future and how comparable the companies are to their competitors, it was found that most organizations do not share goals in the sense that they have established them together. However, benchmarking within the industry is important not only to be considered a forefront company but also not to fall behind. Lastly, it is to be perceived as a workplace with a good culture and environment for future employees. Respondent 1 resonates with the following:

I don't think there is much of a difference anymore. Four or five years ago, there was a difference. And when we changed it and gave the base salary for 8 months of fully paid parental leave, none of our competitors had that. But now everyone matches each other so the difference isn't so big.

There are also no common goals. In the long run, we all work towards how to achieve more gender equality in leadership. That's what we strive for. We have 50/50 in the first three levels of the pyramid, after we changed the recruitment a few years ago, which was very successful. But it then takes many years to move up through the system. That requires us to work hard to help during the time of parental leave. But also so that everyone feels that we actually take it seriously. But I believe our competitors and we strive for women to see our industry in the long term and not as a job they have for a few years before they get a 'real job'.

5.2 Findings, discussion

5.2.1 Human Capital Theory and The Glass Ceiling

To repeat, the human capital theory is a possible explanation of the gender wage gap based on informal training and investments in human capital that lead to men earning higher salaries than women (Greer & Carden, 2021). Looking back to the background and literature review, Magnusson (2010) explains that women, at some point in their lives, will experience fewer working hours due to family obligations such as children. While the findings do not imply that companies make a difference in pay based on gender, saying that one does not get paid less just because they are a woman, they explain that women are not advancing at the same rate as men. The biological reason that women are obliged to take leave once giving birth to a greater extent than men causes them to fall behind in terms of human capital and experience. As one participant explained, the time away on parental leave and the time it takes to get back up to speed quickly adds up. For example, having two children results in two years of lost work experience, and hence falling two years behind their colleagues. It does not matter if you are a man or woman here, but as stated, the majority of time on parental leave is taken by women, making this gap gender-related. This highlights the importance of policies that narrow the maternity and paternity leave gap, level the playing field, and give both genders the same opportunities to advance within a company.

Advancing to higher positions within a company results in higher salaries and more experience working on more prestigious positions and projects. The findings suggest two problems relating to this statement. The first is the difference in tasks between men and women. Historically, men have been given projects or missions with higher status or prestige, as explained by a participant. As the reasonings for this issue are not given with a justified explanation, they relate to the theory of “the glass ceiling.” The glass ceiling explains this inequality as differences in gender that job-relevant characteristics can not explain. Going back to the literature, Cooper et al. (2020) found that women experienced gender-biased decision-making in the workplace. Acker (2006) also explained the difference in the distribution of tasks and positions within Swedish banks. When given opportunities to work on projects that are considered more difficult, which generates more experience and working hours, it also leads to higher wages and often faster advancement

within the company. Suppose these projects are constantly given to one gender. In that case, the other will evidently fall behind, confirming the glass ceiling theory and that women will not reach higher positions to the same extent as men.

The second problem related to women not advancing at the same rate as men is that the participants repeatedly stated that women do not see a future to the same extent as men within their companies. The issue mentioned by a participant is that women only stay at their company for a few years, which is also an underlying cause for the underrepresentation of women in leading positions. This could be another connection to the human capital theory. Women will gain less experience from their specific company and never have the time to reach higher positions. Another possible explanation is that companies need to attract more women in the first place, as mentioned by a few participants, and they have difficulties getting women interested in working for them. As Acker (2006) argues, there might be organizations associated with specific genders, which can be implied by the results of companies having difficulties recruiting women or having women interested in their field.

5.2.2 Institutional Theories

Several participants' answers reflected on the traditional view of women in the workplace and how it affects the structure of companies (Zimmerman, 2021). The results found that the unadjusted gender pay gap sometimes reflects a disproportional wage difference since women in their companies hold lower gender-related positions. Examples were given, such as receptionists or assistants, who naturally have lower wages than managerial positions. While this is a historical perspective, the representation of women has changed to some extent, but the culture has not adjusted accordingly. The culture and norms within companies could reflect literature stating that women have experienced gender-biased decision-making and exclusion both professionally and socially. While social issues such as women not being included in activities outside the workplace are problematic in themselves, they can easily spill over to work tasks and projects that directly influence wages. The institutional theories state that having women in managerial positions could result in a higher female-to-male ratio and a reduced wage gap. It can be found in the responses that humans tend to associate themselves with like-minded, meaning that men are more likely to hire men or give more significant projects to men due to the

assumption that they think alike. Connecting these responses with the theories and literature, a reasonable solution to the issue is to have an equal number of men and women in management positions for equal wage and project distribution.

Lastly, a typical response to the strategies of narrowing the gender wage gap was mapping the companies to find unexplained differences in both wages and positions and then taking action from there. As Goldin (2014) argues, labor market alterations must be made, and companies must give everyone equal opportunity, regardless of gender. It was evident that mapping wages is the first step to narrowing the wage gap—understanding where the issue lies and then taking action from there.

5.2.3 Kuznet's Curve

Based on the information gained through the participants of this study on gender inequality in wages, one can assume a position on Kuznet's curve, which is explained in Chapter 3.3. It is essential to understand that the findings of this study can most likely not be applied to any country or area in the world—probably not every industry or sector in Sweden, either. However, different models can be used to generalize. As Haas (2007) and Eastin and Prakash (2013) explain, during the development of an economy, inequality will go through different phases, which can be further applied to gender inequality (see Figure 1 and Figure 2). Looking at the literature, history shows that the gender wage gap decreased when women entered the labor force, but through industrialization and labor-intensive periods, inequality increased again. The white-collar jobs sector seems to be moving in the right direction based on the findings and answers of the participants. The literature suggests that the curve can contribute to understanding how policies impact gender differences, which this research implicates.

6. Conclusion

In a nation praised for its development of equality and the recognition of gender wage gap studies in work by Nobel Prize winner Claudia Goldin, amongst others. This study began with the aim of exploring a sector in the Swedish economy to find what major challenges were connected with the gender wage gap and how they were approached. By conducting semi-structured interviews with companies across the white-collar sector in Sweden, this qualitative study has gained insights into practices related to gender equality and its main challenges and lessons. The following questions have guided the research:

RQ: How do companies in Sweden's white-collar sector address gender wage equality, and what impacts do these strategies have?

SQ: What perceived challenges and cultural factors within Swedish white-collar companies contribute to gender wage disparities?

This thesis has explored the dynamics contributing to the gender wage gap within Sweden's white-collar sector from the perspective of the human capital theory, the glass ceiling, institutional theories of bias, and labor market discrimination. The human capital theory explains part of the wage gap: women's career interruptions for family obligations lead to lost work experience and slower advancement compared to men. Another part of the explanation of the gender wage gap is the metaphor "the glass ceiling," with women being less likely to receive high-status projects and advancement opportunities, leading to wage disparities. This confirms earlier studies that found that gender-biased decision-making and task allocation are significant barriers to achieving gender equality in leadership.

Institutional bias theories can explain the structural barriers women face. Traditional views and cultural norms in companies are sometimes still in the way of women's professional advancement, often leading to lower pay or less prestigious roles. However, companies with more women in managerial positions tend to demonstrate a lower gender wage gap, emphasizing the need for gender diversity in leadership. Finally, applying Kuznet's Curve to gender wage

inequality, this study acknowledges that economic development phases could influence wage disparities between men and women. The research of this study highlights the importance of implementing strategies to address the gender wage gap. Companies must adopt and enforce policies that enhance gender diversity in leadership, equitable project distribution, and equal parental leave. Mapping wages and identifying unexplained differences is a crucial first step in this process.

Future research could broaden the scope beyond the white-collar sector to include various industries like manufacturing or healthcare. Comparative studies across different regions internationally can offer deeper insights into how cultural, economic, and policy differences impact the gender wage gap.

7. Usage of AI

In writing this thesis, Grammarly was used to correct spelling and grammar errors. ChatGPT was used to find synonyms and word variations to ensure fluency in the text. ChatGPT was also used to find examples of interview questions, although the questions were then developed and reformulated. Scite and ResearchRabbit were used to find articles and literature, apart from LubSearch and Jstor, among others. Klang AI was used to transcribe the interview recordings.

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Appendix A:

Interview guide:

Introduction and Background:

- Can you describe your role and responsibilities within the company?

Understanding of the issue:

- From your perspective, how significant is the issue of the wage gap in your industry?

Industry and Organizational Challenges:

- Have you observed any specific challenges, such as culture within the company, that contribute to gender disparities in pay within your company?

Evaluation and Feedback:

- How do employees at different levels perceive the company's efforts toward managing the wage gap?

Strategies and Initiatives:

- What initiatives or strategies has your company implemented to address the wage gap?
- Have you encountered any resistance or challenges in implementing policies to narrow the wage gap?

Comparative and Competitive Analysis:

- Do you have any examples of how you differ from your competitors in terms of approaching the wage gap?
- Are there any benchmarks specific to your industry that your company strives to meet or exceed?

Outcomes and Lessons:

- Can you provide examples of successful practices or policies that have positively impacted pay equity within your organization? On the contrary, have there been any unsuccessful strategies?

Future Outlook and External Influences:

- Are there any planned initiatives or policy changes aimed at further reducing the wage gap?
- Have economic fluctuations or market conditions impacted efforts at narrowing the gap, for example, the COVID-19 Pandemic, and the inflation over the past few years?