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Unveiling Income Inequality: Income Disparities Across Genders and within the Same Gender Despite Equal Qualifications

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Abstract

Income inequality is often discussed in terms of gender-based disparities, with women typically earning less than men for similar roles and qualifications. However, income disparities also exist within the same gender, where individuals with comparable qualifications and experience receive varying compensation. These disparities can arise from various factors, including organizational culture, negotiation skills, biases in performance evaluations, and unequal access to opportunities. The persistence of these income gaps, both inter and intra-genders, poses a significant challenge to achieving fairness and equality in the workplace. Understanding the root causes of these discrepancies is essential for fostering an environment where compensation is determined by merit rather than gender or other non-performance-related factors.

This study explores the factors driving income inequality, focusing on organizational practices, negotiation dynamics, industry-specific norms, and implicit biases influencing pay structures. By analyzing data from various sectors, the study uncovers how, despite equal qualifications, significant income gaps persist between men and women and within the same gender. While intra-gender differences highlight disparities based on factors such as seniority, access to networks, and favoritism, inter-gender pay gaps are further intensified by biases in hiring and promotion practices and gender-based discrimination in compensation decisions. These inequalities hinder workforce cohesion, impact employee satisfaction, and obstruct career advancement. The study emphasizes the importance of implementing transparent, merit-based pay structures and more robust organizational policies to mitigate income disparities. The study advocates for a shift toward more equitable compensation practices that promote fairness and inclusivity in the workplace.

The study adopts a mixed-methods approach, incorporating qualitative and quantitative analysis to examine income inequality between and within genders. Quantitative data is collected from various sectors to identify income disparities. At the same time, interviews and surveys are conducted to gather qualitative information that provides insights into factors such as negotiation strategies and workplace culture. This combination of methods provides a thorough understanding of the issues contributing to income differences. The results will help shape recommendations to enhance pay practices and reduce income disparities.

Keywords: *Income, disparities, intra, inter, gender*

Introduction

India's rapid economic growth has widened the wealth gap, with the top 1% holding 40% of the nation's wealth and 22.6% of its income, leaving much of the population behind. Crony capitalism and generational wealth exacerbate these disparities, while underfunded public services limit access to healthcare and education, disproportionately affecting women and children. Automation and AI further deepen inequality, reducing labor income globally. The pandemic accelerated this trend, with \$2.4 trillion in lost earnings.

India's wealth inequality has escalated into a profound economic and social challenge. In 2017, the top 1% of the population captured 73% of the country's newly generated wealth, while the bottom half, over 670 million people, saw their income grow by less than 1%. This trend reflects the intensifying concentration of wealth, with the number of billionaires rising dramatically from just nine in 2000 to 334 by 2024. Between 2018 and 2022, wealth concentration accelerated, producing 70 new millionaires daily. By 2018, the combined wealth of billionaires had already surpassed the Union budget of ₹24,422 billion. By 2023, the Hurun India Rich List reported 1,539 ultra-wealthy individuals whose collective wealth of ₹159 trillion exceeds half of India's GDP and surpasses the combined GDPs of Switzerland and Saudi Arabia.

India's stark income inequality, fuelled by biased economic policies, gender norms, and systemic barriers, limits social mobility and deepens wealth gaps. Women and marginalized communities face compounded disadvantages, earning less despite equal qualifications. Universal Basic Income (UBI) and systemic reforms are essential to ensure fair compensation, promote diversity, and foster equitable growth.

Income Disparities Across (Inter) Genders

Income and gender inequality are globally interconnected challenges, with women facing systemic barriers that exacerbate economic disparities. The persistent gender wage gap, differences in labor force participation, and limited access to high-paying jobs contribute significantly to the problem. Women are underrepresented in formal employment and often relegated to lower-paying informal

sectors, lacking essential benefits. Restricted access to education, healthcare, and financial services further limits their economic opportunities, perpetuating a cycle of inequality.

According to the World Economic Forum's 2024 Global Gender Gap Report, achieving global gender parity may take 134 years. India, ranked 129th, has closed only 64.1% of its gender gap, performing poorly in economic opportunity and educational attainment despite modest political empowerment advancements. Women in India earn just 21% of what men make, as per the 2021 Global Gender Gap Report, with the 2022 World Inequality Report revealing that men account for 82% of the nation's labor income. Historical socio-cultural norms, gendered caregiving responsibilities, and systemic biases hinder women's financial independence, career progression, and access to leadership roles.

Educational and occupational segregation plays a critical role in income disparities. Women are underrepresented in high-paying fields like science and technology, contributing to the wage gap. Gender discrimination, the "motherhood penalty," and differences in financial literacy further widen these disparities. Although frameworks like the UN's Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) promote equal pay, progress remains slow.

India has introduced legal reforms, such as the Equal Remuneration Act of 1976, the Code on Wages, 2019, and programs like MGNREGA to improve rural women's wages. Initiatives like the Skill India Mission aim to address educational and employment inequalities. Despite these efforts, the gender wage gap increased by 7% between 2018-19 and 2020-21, highlighting the need for targeted policy interventions.

The COVID-19 pandemic worsened gender income disparities. Studies revealed that 61% of men retained their jobs during the pandemic, compared to 19% of women. Women also bore the brunt of unpaid caregiving, further limiting workforce participation. The Sustainable Development Goal (SDG) 8 advocates for equal pay by 2030, emphasizing the need to close the gender wage gap for social and economic equity. Achieving this requires dismantling systemic barriers, addressing socio-cultural norms, and fostering inclusive workplace policies.

Income Disparities within (Intra) Gender

Income inequality within the same gender remains an overlooked yet critical aspect of economic disparities. Variations in earnings among individuals of the same gender are influenced by factors such as education, profession, race, caste, marital status, geographic location, family responsibilities, and access to opportunities, perpetuating structural inequalities and biases. Key Drivers of Intra-Gender Income Disparities:

➤ **Occupational Segregation:** Income gaps arise from differences in industries and roles. For example, a male software engineer earns significantly more than a male engineering professor with similar qualifications, underscoring the impact of job type and industry.

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- **Education and Skills:** Access to quality education and specialized skills significantly impacts earning potential. Marginalized communities often face barriers to high-paying fields, limiting upward mobility within their gender group.
- **Workplace Discrimination:** Biases based on race, caste, ethnicity, or sexual orientation affect salary and career progression. For instance, LGBTQ+ individuals or older employees may face unequal pay due to discriminatory practices.
- **Family Responsibilities:** Caregiving roles disproportionately affect women, leading to career interruptions and wage penalties. Single fathers or caregivers face similar setbacks, demonstrating how family dynamics contribute to income gaps.
- **Networking and Social Capital:** Professional connections significantly influence career advancement. Despite comparable qualifications, a male lawyer from a prestigious institution often secures higher-paying roles than peers from lesser-known schools.
- **Geographic and Economic Contexts:** Workers in urban areas or thriving regions earn more than those in rural or struggling areas, creating location-based disparities.
- **Racial and Ethnic Factors:** Minority groups often face lower pay and limited career growth due to systemic biases, as seen among Black, Hispanic, or marginalized caste workers.
- **Intersectionality:** Overlapping identities (e.g., race, gender, caste, or sexuality) exacerbate income disparities. A Muslim woman in India may experience compounded discrimination based on both religious and gender biases.
- **Sector-Specific Benefits:** Differences in benefits across sectors also widen income gaps. Government employees, for example, may access paid maternity leave, unlike many private-sector counterparts.
- **Marital and Family Status:** Married individuals, especially women, often face income penalties due to societal biases about family responsibilities.
- **Maternity and Parenthood:** The "motherhood penalty" creates significant wage gaps between mothers and childless women, driven by career interruptions and lack of workplace support.

Addressing intra-gender income disparities requires targeted policy reforms, equitable workplace practices, and societal shifts to combat biases and structural barriers. By focusing on these dimensions, stakeholders can foster a more inclusive and fair economic landscape.

Theoretical Framework

Income disparities across and within gender groups can be understood through Human Capital Theory, Social Capital Theory, and Intersectionality. Human Capital Theory links income to skills, education, and experience but fails to explain disparities among equally qualified individuals. Social Capital Theory emphasizes the role of networks and relationships in accessing opportunities, highlighting unequal access as a driver of inequality. Intersectionality examines how overlapping identities, such as race, caste, and religion, create unique forms of discrimination. Together, these theories reveal that income inequality stems from a complex interplay of individual, social, and systemic factors beyond mere qualifications.

Review of Gender-Based and Intra-Gender Disparity Studies

Gender income disparity remains a persistent global issue, with extensive research documenting the income gap between men and women, even among equally qualified individuals. Studies attribute this gap to gendered stereotypes, workplace discrimination, and biases in hiring and promotions (Blau & Kahn, 2017; McKinsey & LeanIn.Org, 2020). Legal frameworks, such as the Equal Remuneration Act of 1976, aim to address these disparities. However, progress is slow, particularly in countries like India, where social and cultural norms reinforce economic inequalities.

Intra-gender disparities, often overshadowed by gender-based inequality, also play a significant role in perpetuating economic divides. These disparities arise from caste, education, occupation, marital status, and geographic location. For instance, caste-based discrimination in India creates barriers for marginalized groups like Dalits, who face biased hiring practices, limited access to high-paying jobs, and slower upward mobility (Deshpande, 2000; Jodhka, 2010). Scheduled Castes (SCs) and Scheduled Tribes (STs) consistently earn less than upper-caste groups, as documented by Zacharias and Vakulabharanam (2011).

Occupational segregation further exacerbates intra-gender income inequality. Women and men from marginalized groups are often concentrated in lower-paying sectors such as agriculture or informal work, while their privileged counterparts access lucrative fields like technology or finance. This divide is compounded by limited educational opportunities for marginalized communities, which restrict access to high-paying roles (Vaid, 2012; Agrawal, 2005).

Workplace culture and societal norms also influence income disparities. Women, particularly in male-dominated industries like finance and engineering, face biases tied to caregiving responsibilities, which affect promotions and salary negotiations. These biases also extend to within-gender disparities, with marginalized individuals earning less due to compounded discrimination based on caste, ethnicity, or geographic location (Baruah, 2021).

The Equal Remuneration Act of 1976 aimed to address India's gender pay gap by mandating equal pay for men and women doing similar work. However, deeply ingrained socio-economic norms, such as viewing women primarily as caregivers, have limited its impact. Globally, the ILO's Global Wage Report (2018-19) highlights that women's part-time work, often due to family obligations, restricts their earnings and career growth. Similarly, the WEF Global Gender Gap Report (2023) emphasizes occupational segregation, with women concentrating on lower-paying childcare and education roles. Studies, including Lama and Majumder (2019), underline economic biases as crucial contributors to the wage gap, requiring legal reforms and societal attitude shifts to achieve genuine pay equity.

Identifying Gaps in Research on Intra-Gender Income Disparities

The existing literature reveals significant gaps in our understanding of income disparities within the same gender, particularly how intersectional identities such as caste, marital status, and ethnicity

affect income outcomes. While much research has focused on gender-based income inequality, there is a lack of in-depth exploration into how intra-gender factors shape the income experiences of individuals who share the same gender identity. This study aims to fill these gaps by examining the complex relationship between social identity, organizational norms, and income inequality. In doing so, it hopes to provide a more nuanced understanding of income disparities and contribute to developing policies that ensure equitable compensation across genders and within gender groups.

Methodology

This study uses a mixed-methods approach to examine income disparities across and within gender groups. Quantitative surveys measure income levels, transparency, and salary audits, while qualitative responses explore workplace dynamics, negotiation challenges, and biases. Purposive sampling ensures diverse representation, with interviews highlighting participants' experiences and the impact of organizational culture on inequality.

Analytical Techniques: The Mann-Whitney U test is used to analyze the data about this study. This non-parametric test assesses whether a significant difference exists between two independent groups on a continuous or ordinal variable.

Hypothesis:

Hypothesis 1: Gender and Income Levels

H_0 : There is no significant difference in income levels between men and women.

H_1 : There is a significant difference in income levels between men and women.

Formula:

$$U = n_1 * n_2 + (n_1 * (n_1 + 1) / 2) - R_1$$

The Mann-Whitney U test reveals a significant difference in income levels between men and women (U-statistic = 7867.5, p-value = 4.37×10^{-11}). Thus, the null hypothesis is rejected, concluding that gender significantly influences income levels.

Hypothesis 2: Intra-Gender Disparities

H_0 : Favouritism, networking, and negotiation skills do not significantly influence intra-gender income disparities.

H_1 : Favouritism, networking, and negotiation skills significantly influence intra-gender income disparities.

Favoritism and networking significantly influenced income disparities (U-statistic = 5034.0, p-value = 0.00019; networking: U-statistic = 4487.5, p-value = 0.00115). Hence, the null hypothesis for these factors is rejected.

*Negotiation skills did not show a significant impact (U-statistic = 1319.0, p-value = 0.09675).

Hypothesis 3: Organizational Culture and Perception of Income Inequality

H₀: Organizational culture does not influence the perception of income inequality.

H₁: Organizational culture significantly influences the perception of income inequality.

The test results show a significant relationship between organizational culture (effectiveness of diversity and inclusion policies) and the perception of income inequality (U-statistic = 16567.0, p-value = 1.41×10^{-5}). We reject the null hypothesis and conclude that organizational culture influences perceptions of income inequality.

Limitations of the Study:

1. Purposive sampling approach may only partially capture diverse experiences across different industries or regions.
2. Data reliance on respondents' perceptions and experiences may not fully reflect the objective reality.
3. Lack of specific organizational policies or external influences on pay disparities could limit understanding of income differences.
4. Survey responses do not provide detailed breakdowns by job role or location.
5. Emphasis on quantitative analysis may have missed the depth of individual experiences.
6. Disparities in gender participation could affect findings, especially when examining gender-specific issues.
7. Study is based on a single snapshot, making tracking income disparities and workplace dynamics challenging.

Study on Income Disparities Across Genders and Within the Same Gender

This study used a purposive sampling approach, selecting participants from various organizations. In total, 208 responses were collected, consisting of 95 women and 113 men. This diverse sample allows for a broader understanding of the perspectives on the issue being studied.

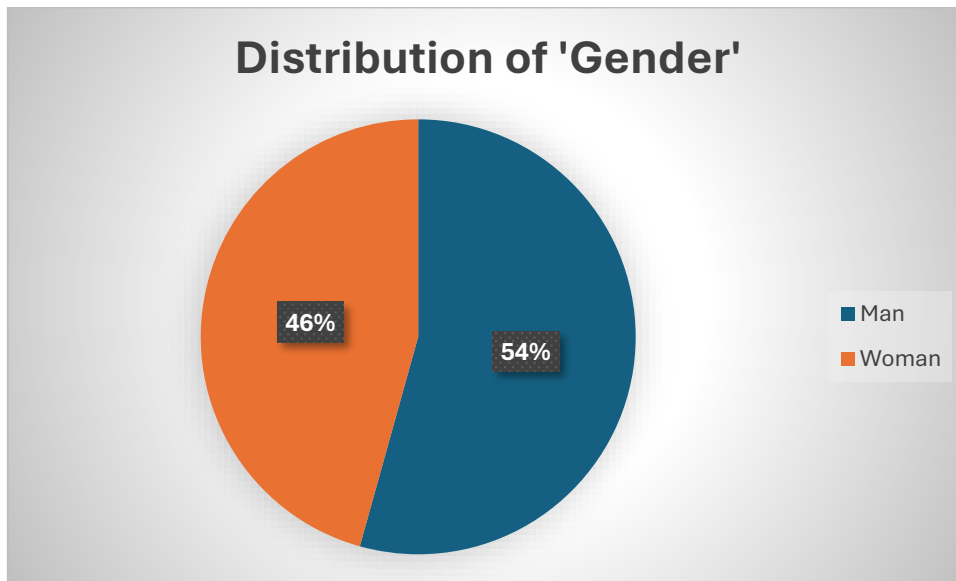


Figure 1: Distribution of Gender

Figure 1 illustrates the gender distribution of the sample, with women comprising approximately 46% and men accounting for 54% of the total responses collected.

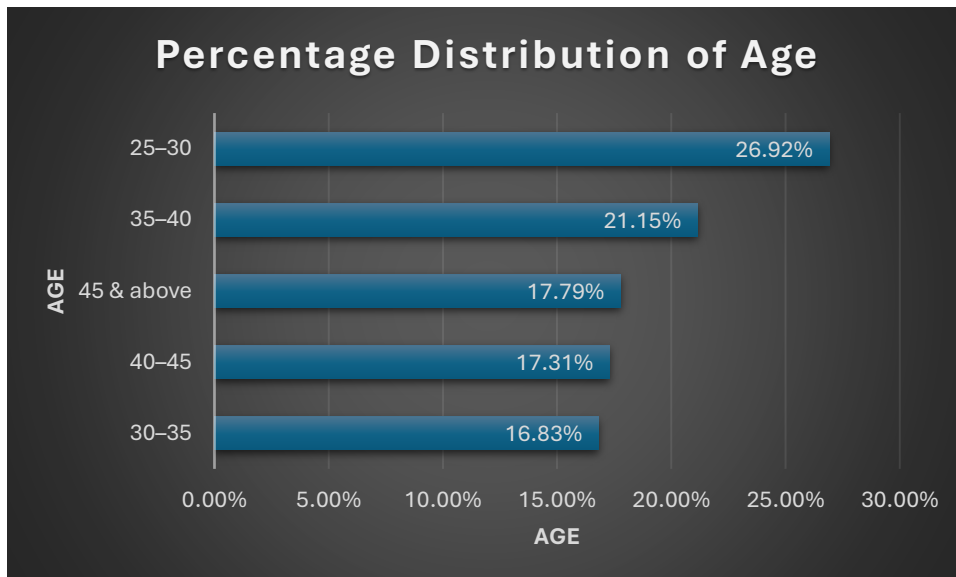


Figure 2: Percentage Distribution of Age Groups

Figure 2 presents the percentage distribution of respondents across different age groups. The majority fall within the age group of 25–30, representing 26.92%, followed by 35–40 at 21.15%, 45 and above at 17.79%, 40–45 at 17.31%, and 30–35 at 16.83%.

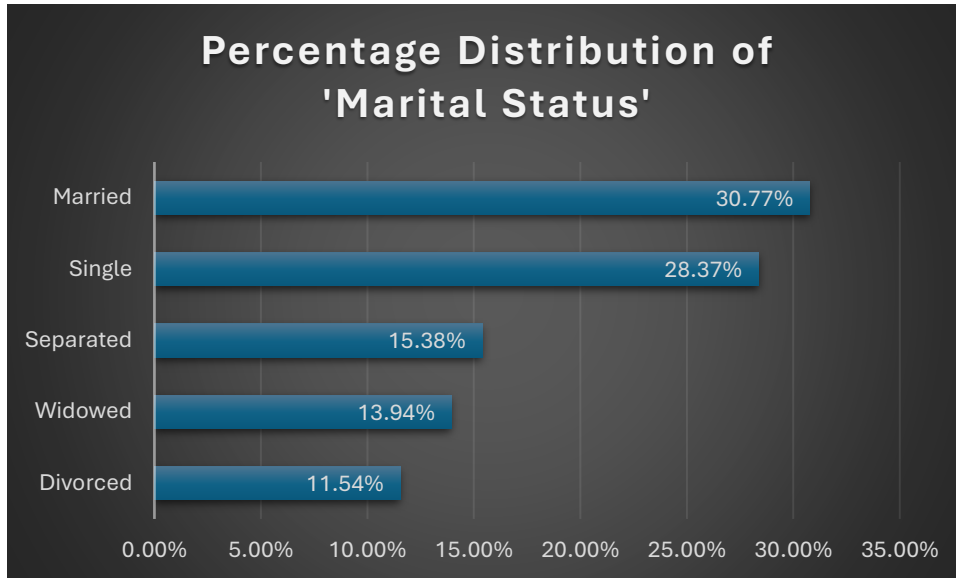


Figure 3: Marital Status of the Respondents

Figure 3 depicts the marital status distribution of the respondents. 30.77% are married, 28.37% are single, 15.38% are separated, 13.94% are widowed, and 11.54% are divorced.

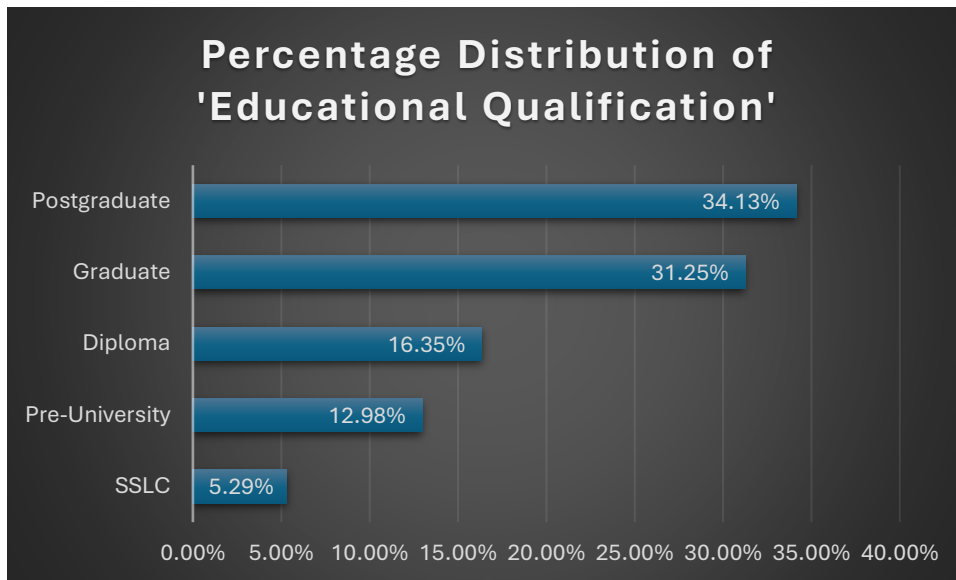


Figure 4 Percentage Distribution of Educational Qualification

Figure 4 illustrates the educational qualifications of the respondents. Among them, 34.13% are postgraduates, 31.25% are graduates, 16.35% hold diplomas, 12.98% have completed pre-university, and 5.29% have an SSLC qualification.

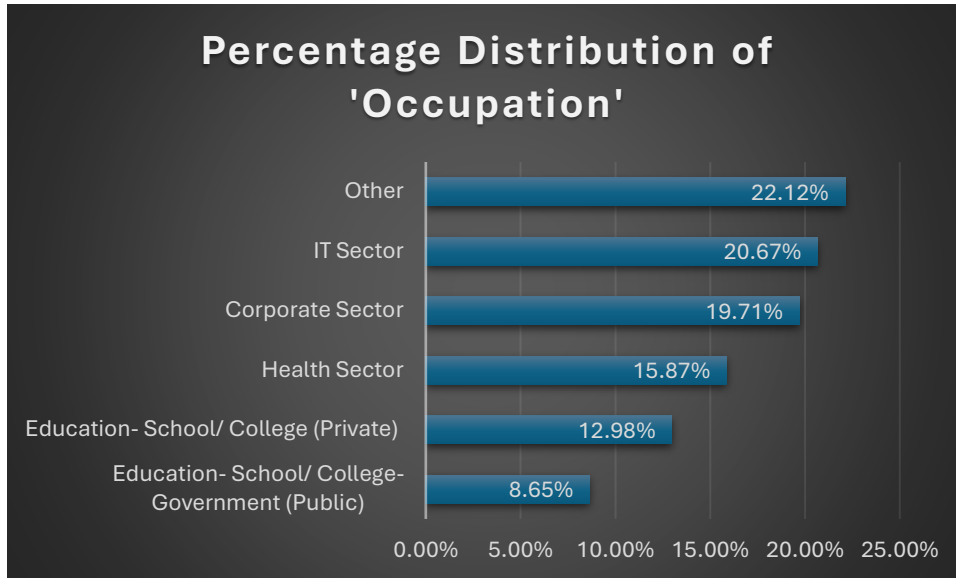


Figure 5: Percentage Distribution of Occupation

Figure 5 depicts the occupational distribution of the respondents. Among them, 22.12% are employed in occupations such as law firms, service sectors, delivery services, mall employees, and sales, 20.67% work in the IT sector, 19.71% are in the corporate sector, 15.87% are in the health sector, 12.98% are employed in private educational institutions, and 8.65% work in public/aided educational institutions.

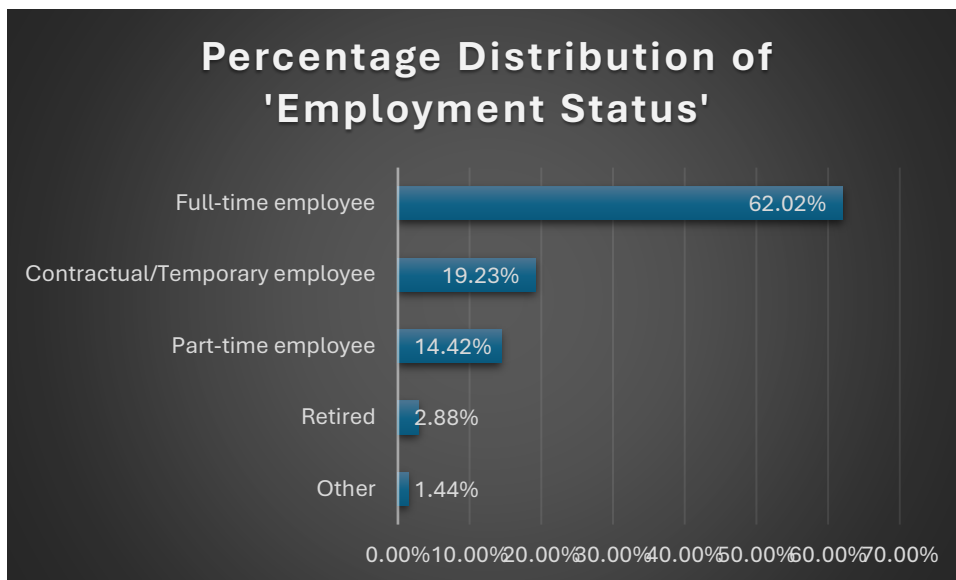


Figure 6: Percentage Distribution of Employment Status

Figure 6 illustrates the employment status of the respondents. Among them, 62.02% are full-time employees, 19.23% are contractual/temporary employees, 14.42% are part-time employees, 2.88% are retired, and 1.44% fall under the "other" category, including self-employed individuals.

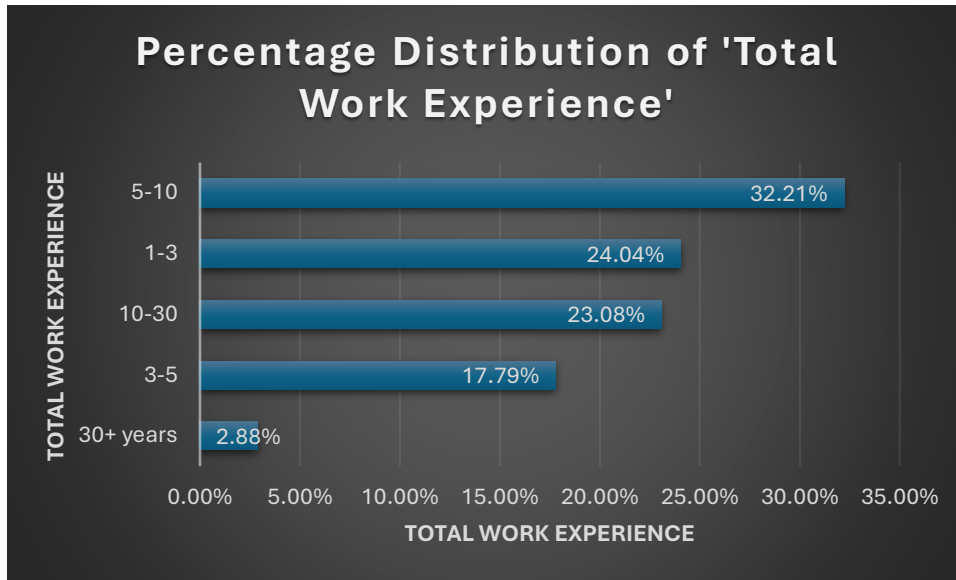


Figure 7: Percentage Distribution of Total Work Experience

Figure 7 illustrates the total work experience of the respondents. Among them, 32.21% have 5–10 years of experience, 24.04% have 1–3 years, 23.08% have 10–30 years, 17.79% have 3–5 years, and 2.88% have over 30 years of work experience.

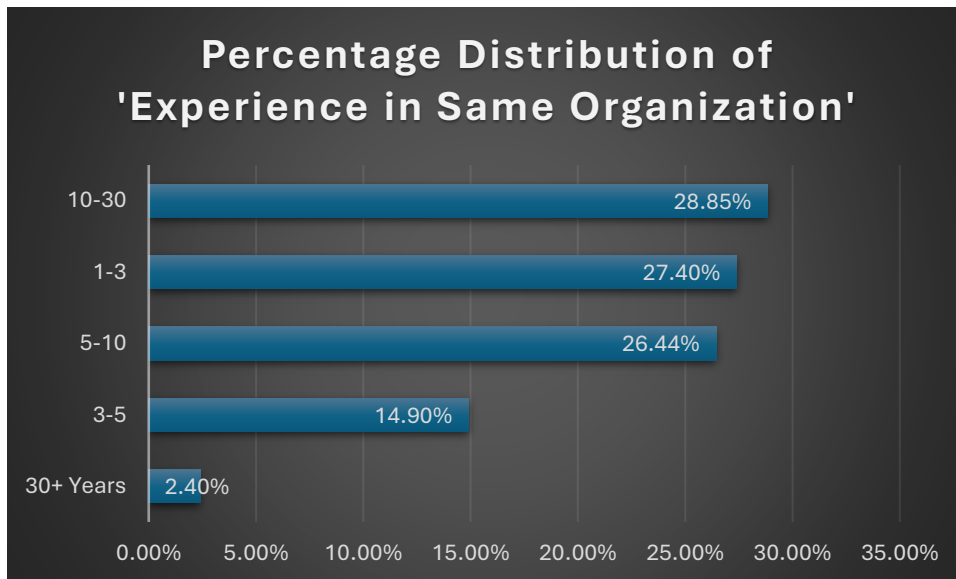


Figure 8: Percentage Distribution of Experience in Same Organization

Figure 8 represents the respondents' experience within the same organization. It shows that 28.85% have 10–30 years of experience, 27.40% have 1–3 years, 26.44% have 5–10 years, 14.90% have 3–5 years, and 2.40% have over 30 years of experience.

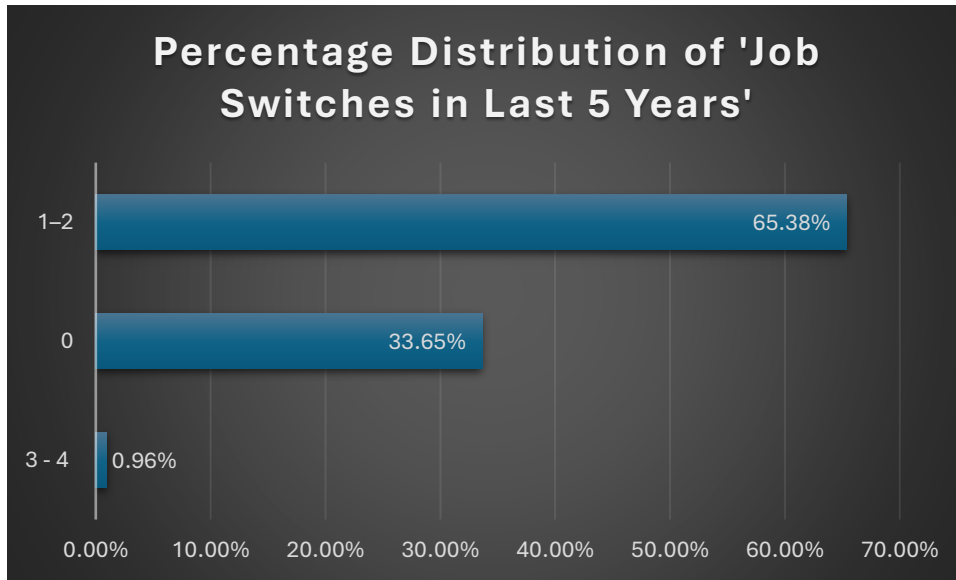


Figure 9: Percentage Distribution of Job Switches in Last 5 Years

Figure 9 illustrates the frequency of job changes by the respondents over the past five years. It indicates that 65.38% have switched jobs 1–2 times, 0.96% have switched 3–4 times, and 33.65% have never changed jobs.

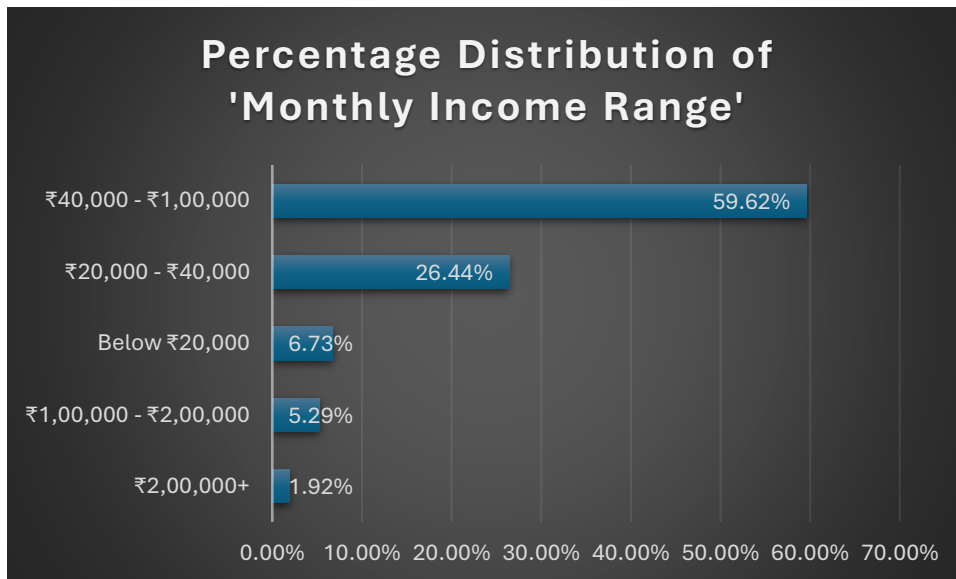


Figure 10: Percentage Distribution of Monthly Income Range

Figure 10 displays the monthly income range of the respondents. Among them, 26.44% earn between ₹20,000 and ₹40,000, 59.62% earn between ₹40,000 and ₹1,00,000, 6.73% earn below ₹20,000, 5.29% earn between ₹1,00,000 and ₹2,00,000, and 1.92% earn above ₹2,00,000.

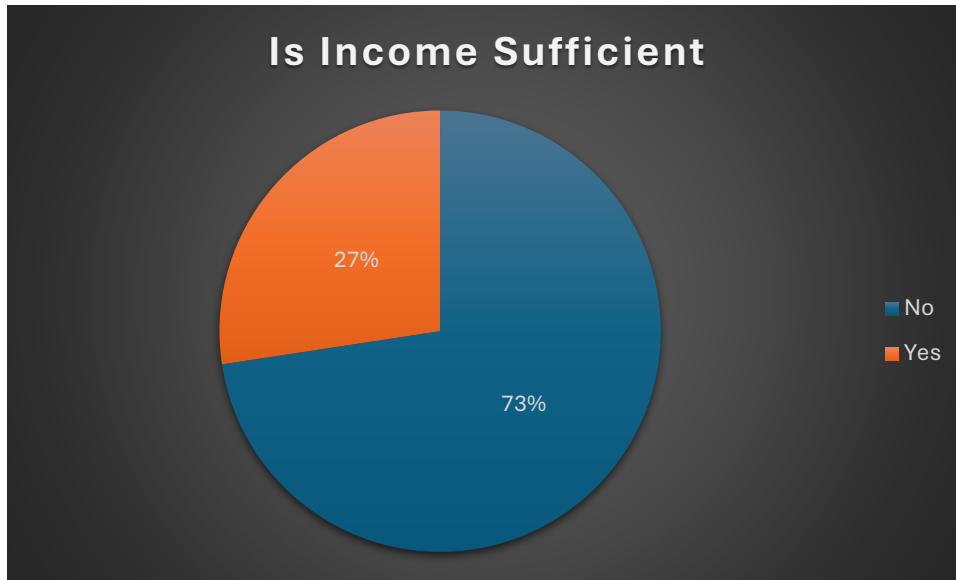


Figure 11: Is Income Sufficient

Figure 11 presents respondents' views on whether their income meets their needs. Approximately 73% of respondents stated that their income is insufficient, while 27% indicated it is sufficient.

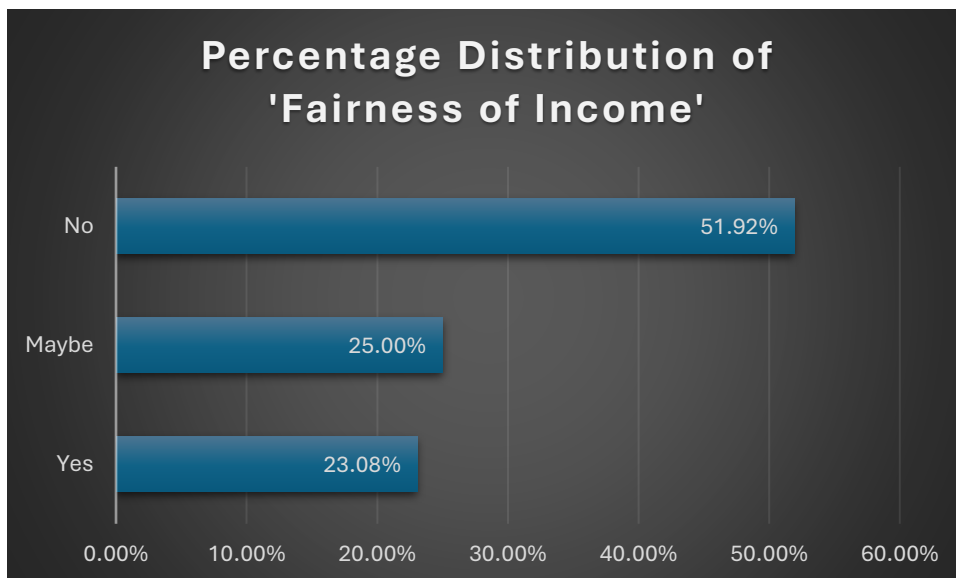


Figure 12: Distribution of Fairness of Income

Figure 12 presents data on respondents' perceptions of income fairness. It shows that 51.92% feel their income is unfair considering their qualifications and experience, 25.00% are uncertain, and 23.08% believe their income is fair.

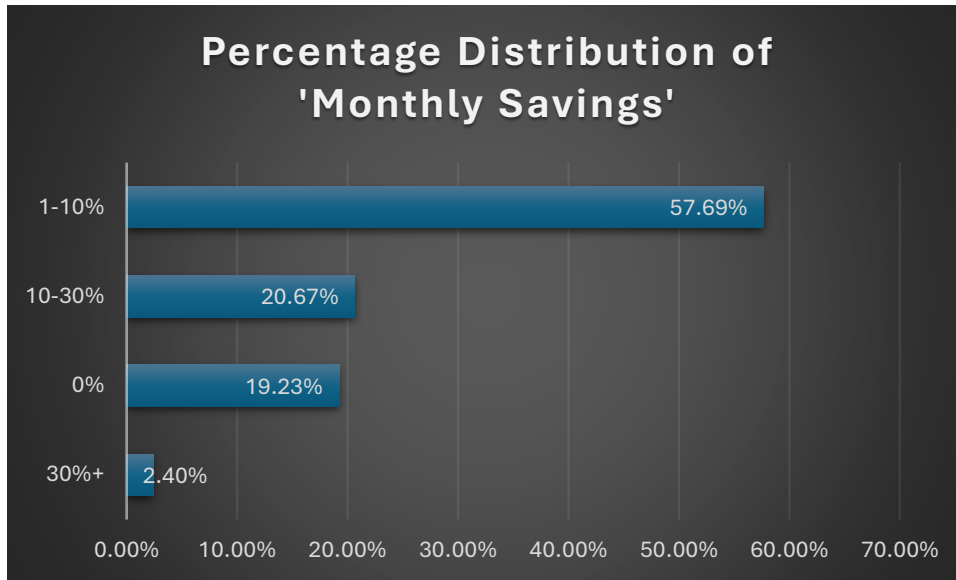


Figure 13: Percentage Distribution of Monthly Savings

Figure 13 illustrates the respondents' monthly savings as a percentage of their income. Approximately 57.69% report saving between 1–10% of their income, 20.67% save 10–30%, 19.23% cannot save any portion, and 2.40% save more than 30%.

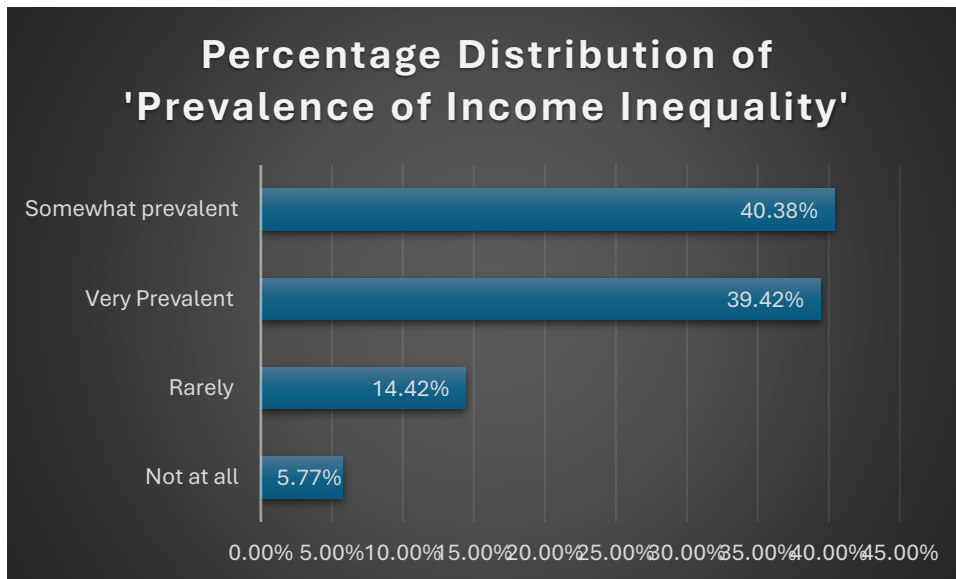


Figure 14: Percentage Distribution of Prevalence of Income Inequality

Figure 14 illustrates the respondents' views on the prevalence of income inequality in their workplace. Among them, 40.38% believe it is somewhat prevalent, 39.42% consider it highly prevalent, 14.42% think it is rare, and 5.77% feel it is not.

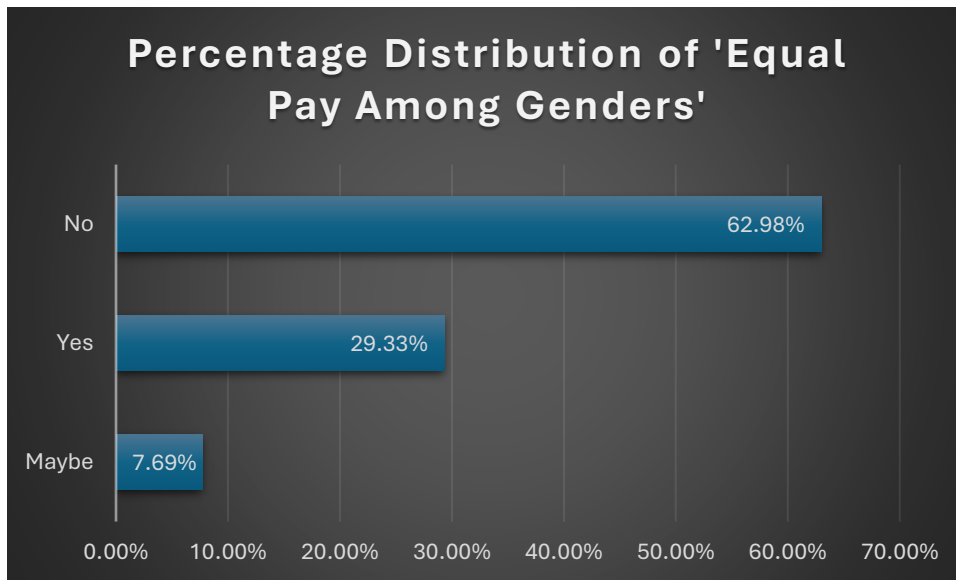


Figure 15: Percentage Distribution of Equal Pay Among Genders

Figure 15 illustrates respondents' views on equal pay across genders in their workplace. A majority, 62.98%, believe they do not receive equal pay, 29.33% responded affirmatively, and 7.69% were uncertain.

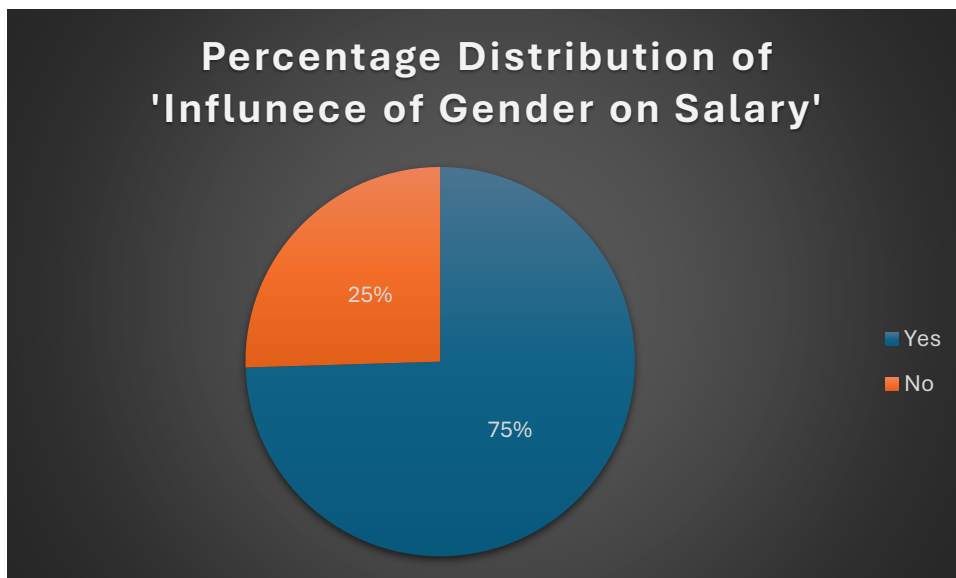


Figure 16: Percentage Distribution of Influence of Gender on Salary

Figure 16 presents respondents' views on the influence of gender on salary. Approximately 75% believe gender affects salary, while 25% feel it does not.

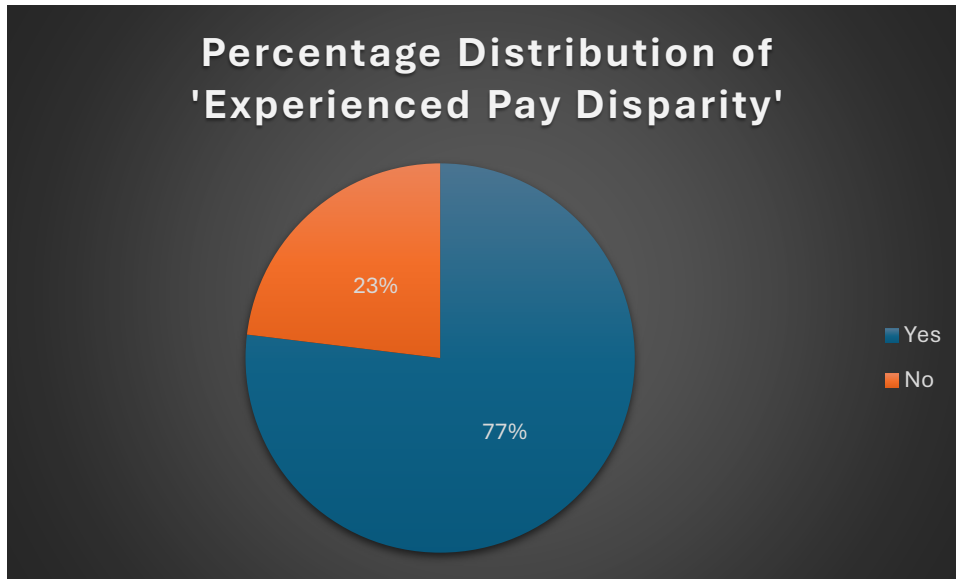


Figure 17: Percentage Distribution of Experienced Pay Disparity

Figure 17 presents respondents' experiences with pay disparity. A significant 77% reported having experienced pay disparity, while 23% stated they had not.

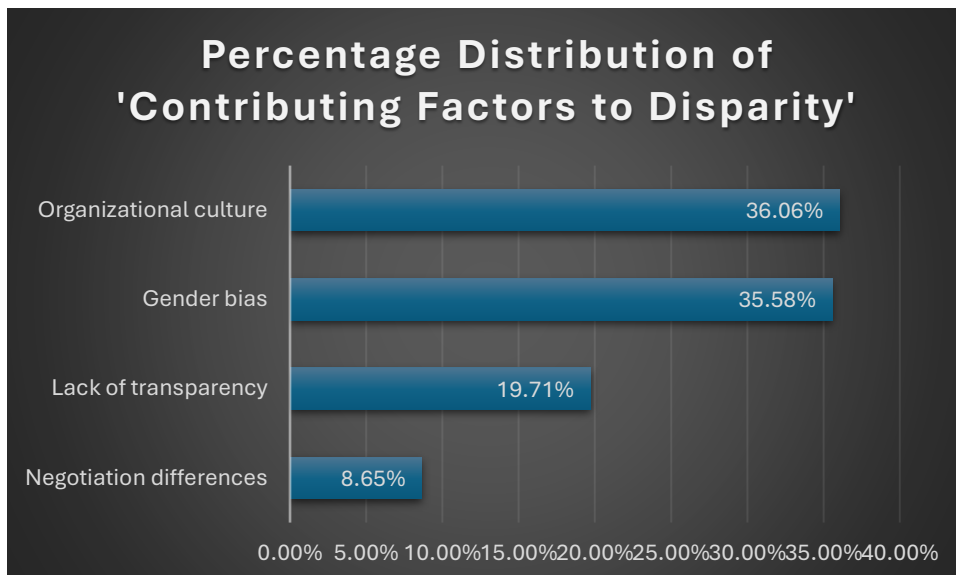


Figure 18: Percentage Distribution of Contributing Factors to Disparity

Figure 18 highlights respondents' views on the factors contributing to pay disparity. 36.06% attribute it to organizational culture, 35.58% to gender bias, 19.71% to a lack of transparency, and 8.65% to differences in negotiation skills.

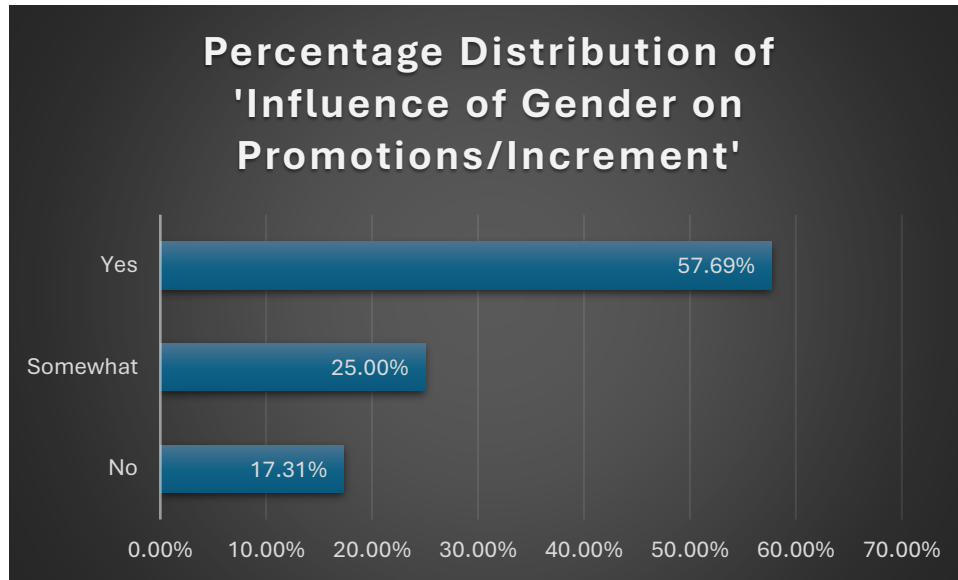


Figure 19: Percentage Distribution of Influence of Gender on Promotions/ Increments

Figure 19 depicts respondents' views on the influence of gender on promotions and increments. A majority, 57.69%, believe it has an influence, 25.00% think it somewhat influences, while 17.31% opine that it does not influence promotions or increments.

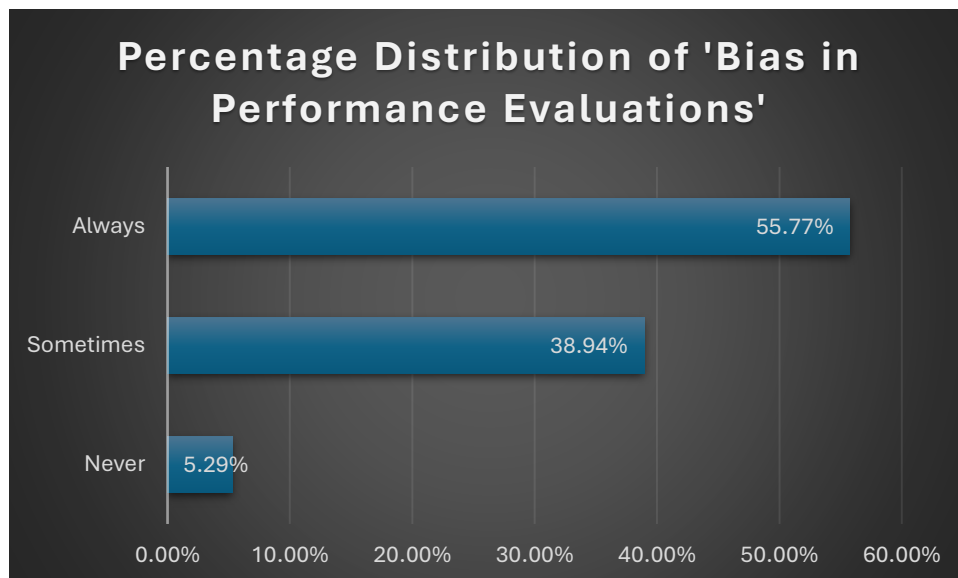


Figure 20: Percentage Distribution of Bias in Evaluations

Figure 20 represents respondents' views on performance evaluations in their workplace. A majority, 55.77%, believe the evaluations are biased, 38.94% feel they are sometimes biased, and 5.29% think they are never biased.

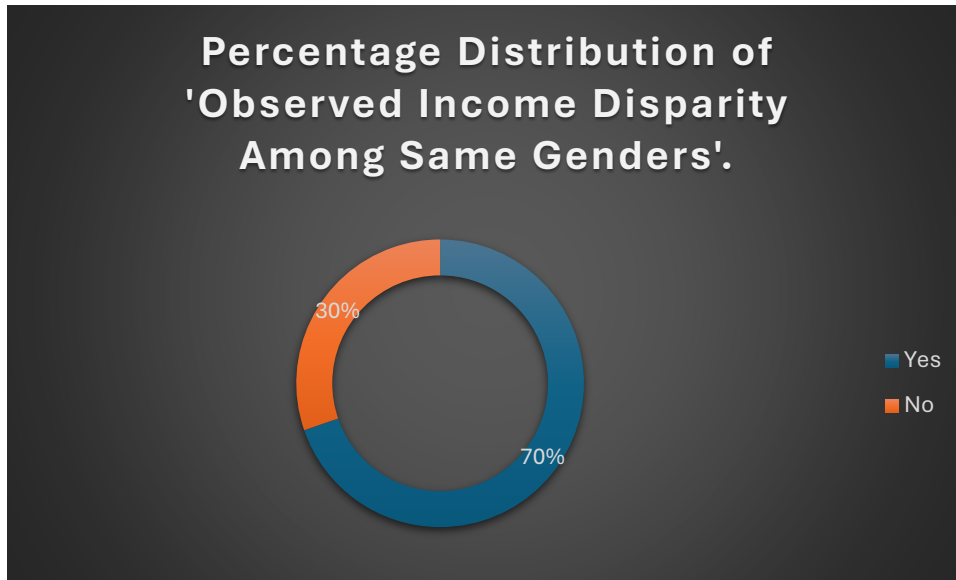


Figure 21: Percentage Distribution of Observed Income Disparity Among the Same Genders

Figure 21 highlights respondents' experiences with income disparity within the same gender. About 70% believe income disparity exists among individuals of the same gender, while 30% feel no such disparity exists.

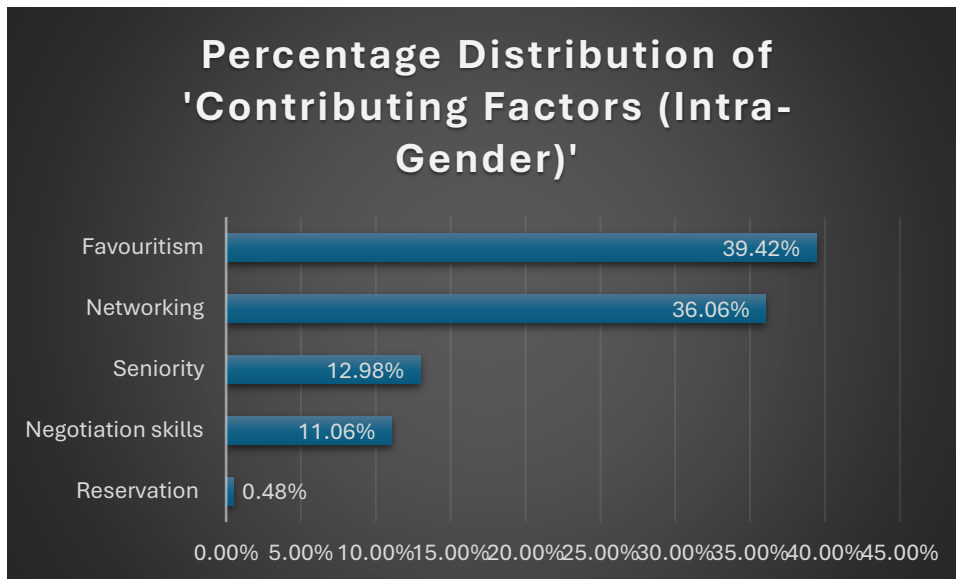


Figure 22: Percentage Distribution of Contributing Factors (Intra- Gender)

Figure 22 illustrates the factors contributing to income disparity within the same gender, as respondents perceive. Among them, 39.42% attribute it to favoritism, 36.06% to networking, 12.98% to seniority, 11.06% to negotiation skills, and 0.48% to reservations.

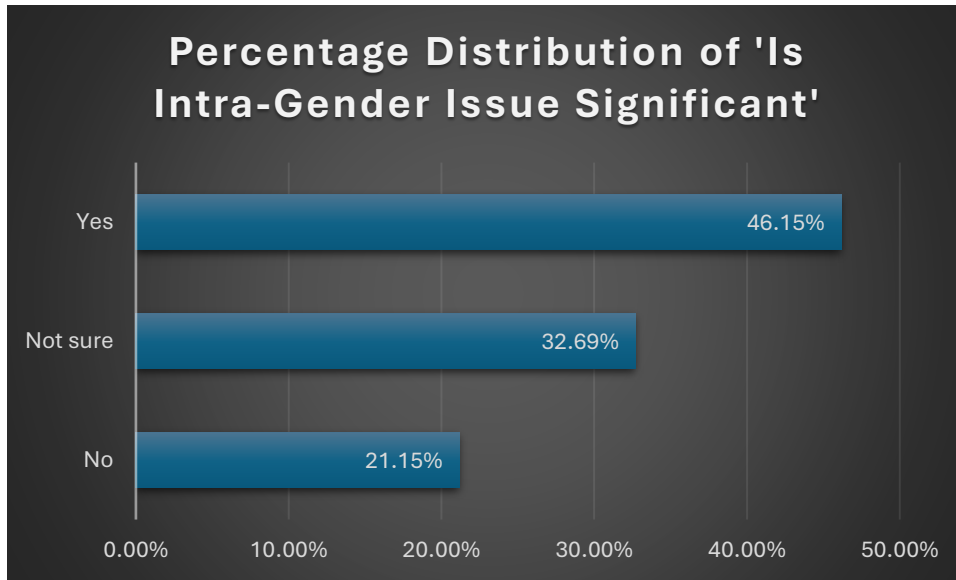


Figure 23: Percentage Distribution of Significance of Intra-Gender Income Disparity in the Workplace

Figure 23 illustrates respondents' perspectives on the significance of intra-gender pay issues in their workplace. Among them, 46.15% consider it a significant issue, 32.69% are unsure, and 21.15% believe it is not an issue.

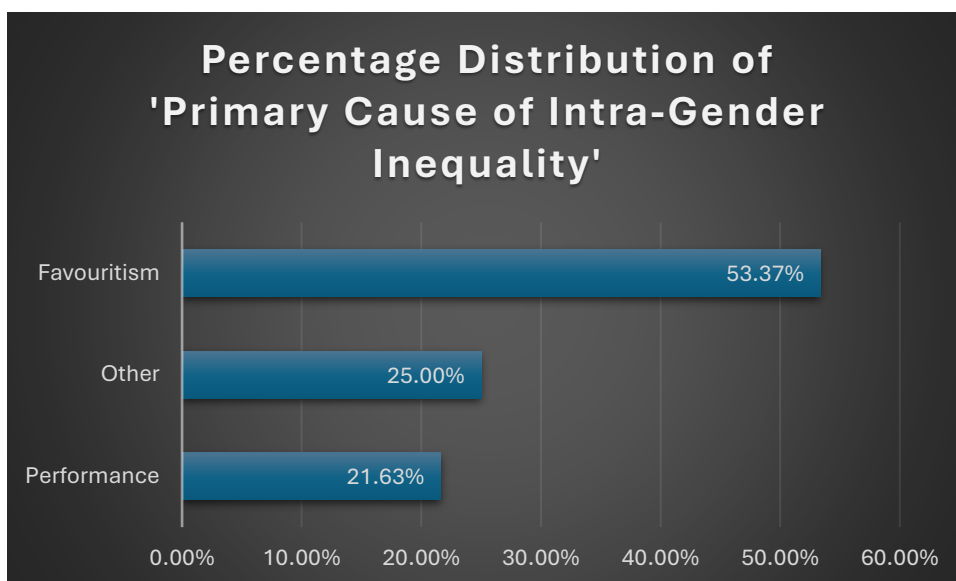


Figure 24: Percentage Distribution for the Primary Cause of Intra-Gender Inequality

Figure 24 illustrates respondents' views on the primary causes of intra-gender inequality. Among them, 53.37% attribute it to favoritism, 25.00% to other factors such as personal favors and influence from prominent individuals, and 21.63% to performance-related issues.

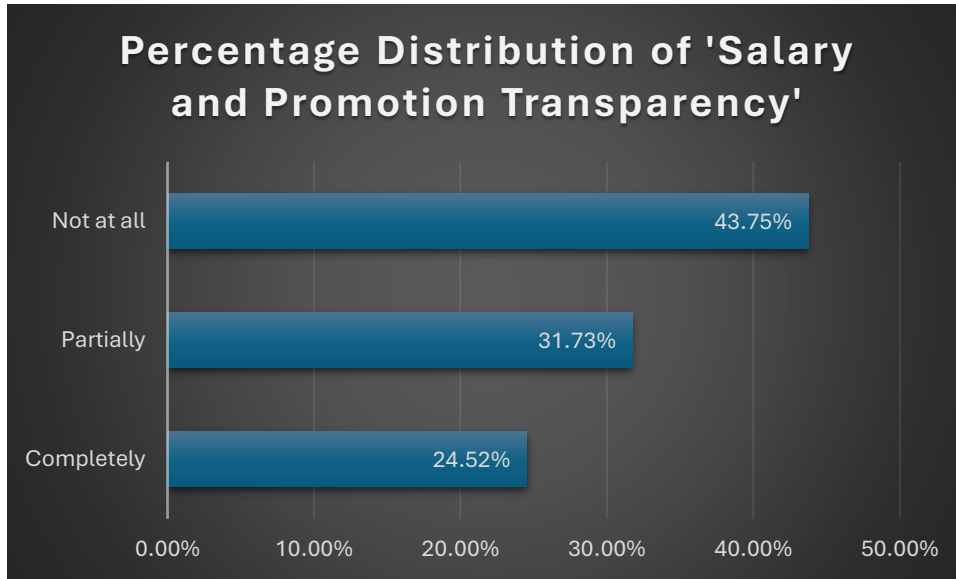


Figure 25: Percentage Distribution of Salary and Promotion Transparency

Figure 25 illustrates respondents' opinions on the salary and promotion criteria transparency in their workplace. Of them, 43.75% believe it is not at all transparent, 31.73% think it is partially transparent, and 24.52% consider it completely transparent.

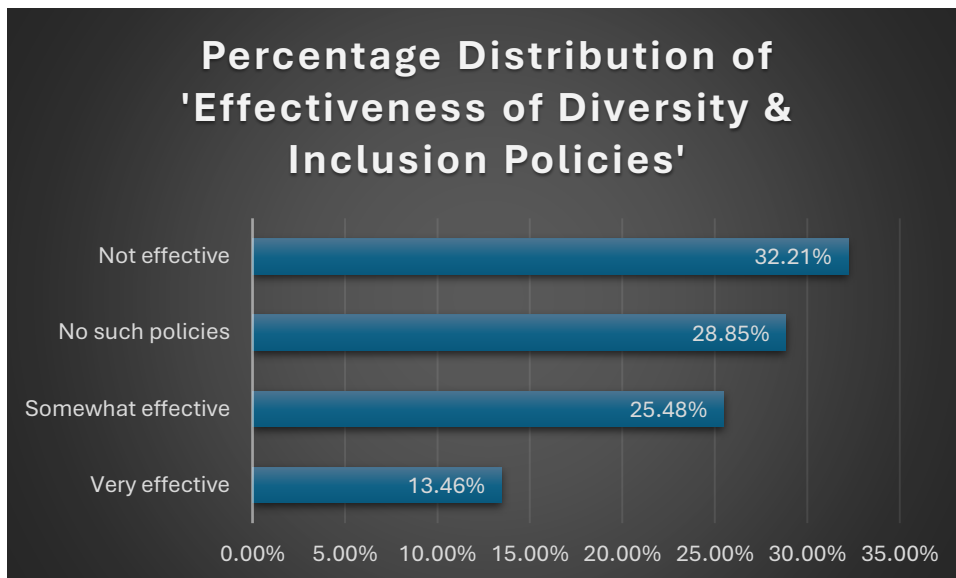


Figure 26: Percentage Distribution of Effectiveness of Diversity and Inclusion Policies

Figure 26 illustrates respondents' views on the effectiveness of diversity and inclusion policies in promoting fair compensation. Among them, 32.21% believe these policies are ineffective, 28.85% state that no such policies exist in their workplace, 25.48% consider them somewhat effective, and 13.46% view them as very effective.

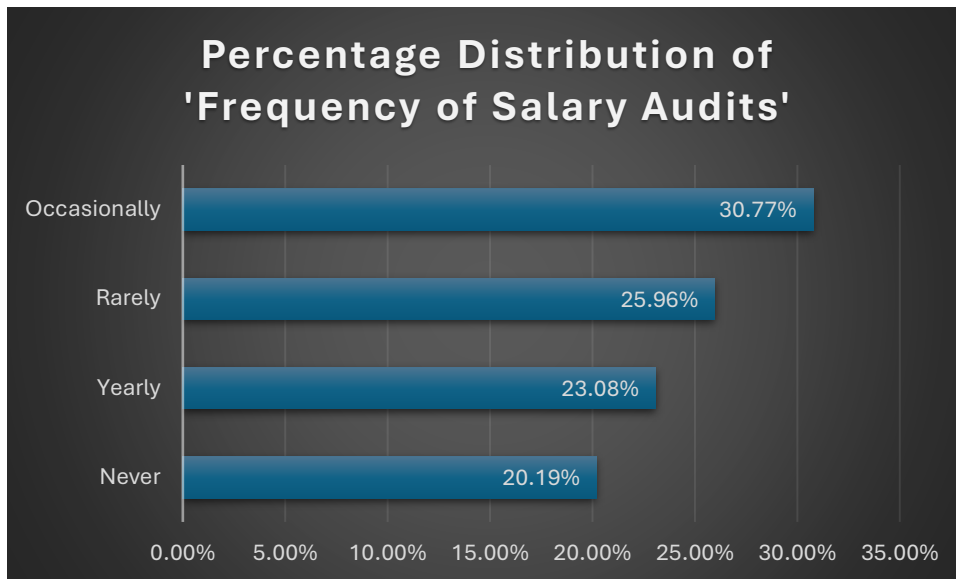


Figure 27: Percentage Distribution of Frequency of Salary Audits

Figure 27 presents data on the frequency of salary audits in respondents' workplaces. Among them, 30.77% stated that audits are conducted occasionally, 25.96% said rarely, 23.08% reported yearly audits, and 20.19% indicated that audits are never conducted.

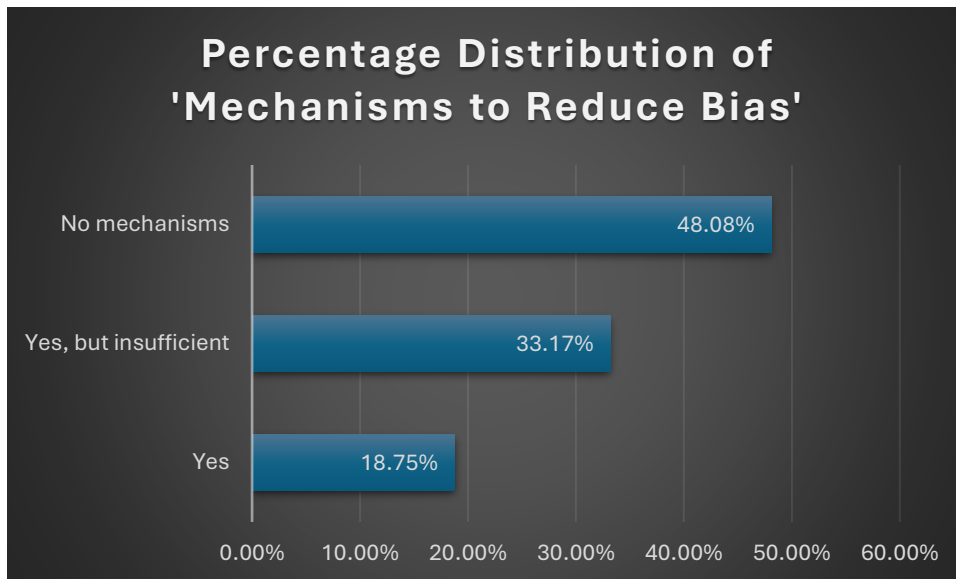


Figure 28: Percentage Distribution of Mechanisms to Reduce Bias

Figure 28 illustrates respondents' views on the presence of mechanisms to reduce bias in pay-related decisions. 48.08% stated that no such mechanisms exist, 33.17% indicated that mechanisms are present but insufficient, and 18.75% confirmed their presence.

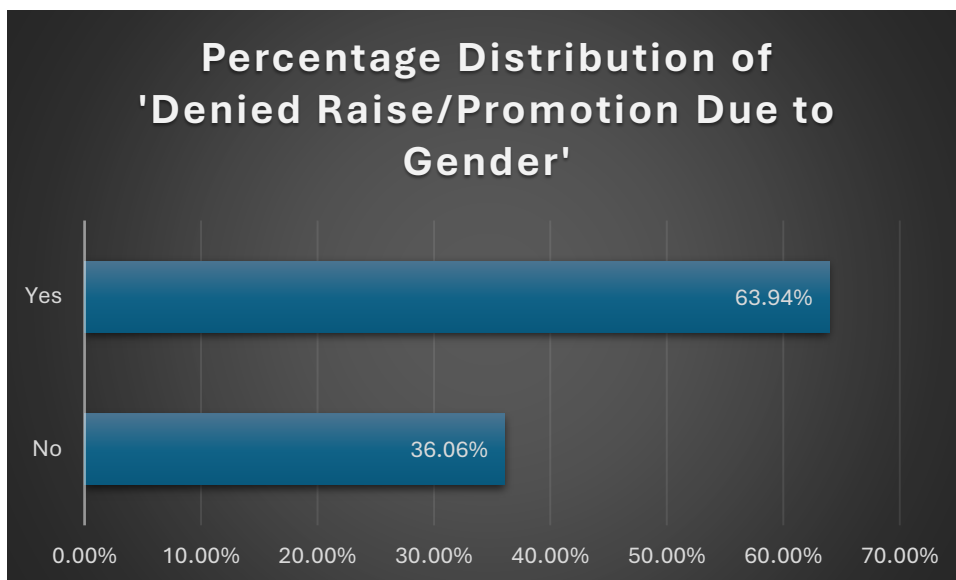


Figure 29: Percentage Distribution of Denied Raise/Promotion Due to Gender

Figure 29 illustrates whether respondents have been denied a raise in income or promotion due to their gender. A majority, 63.94%, reported being denied, while 36.06% stated they had not experienced such denial.

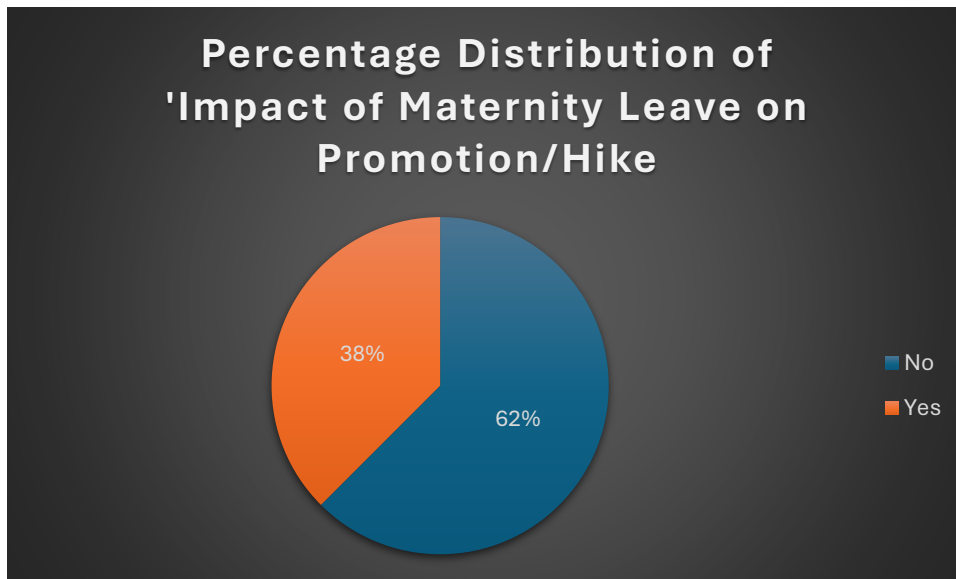


Figure 30: Percentage Distribution on Impact of Maternity Leave on Promotion/Hike

Figure 30 illustrates the perceived impact of maternity leave on promotions and salary hikes. Among the respondents, 62% believe there is no impact, while 38% feel there is an impact. Notably, the respondents include 95 women and 113 men, reflecting a diverse perspective.

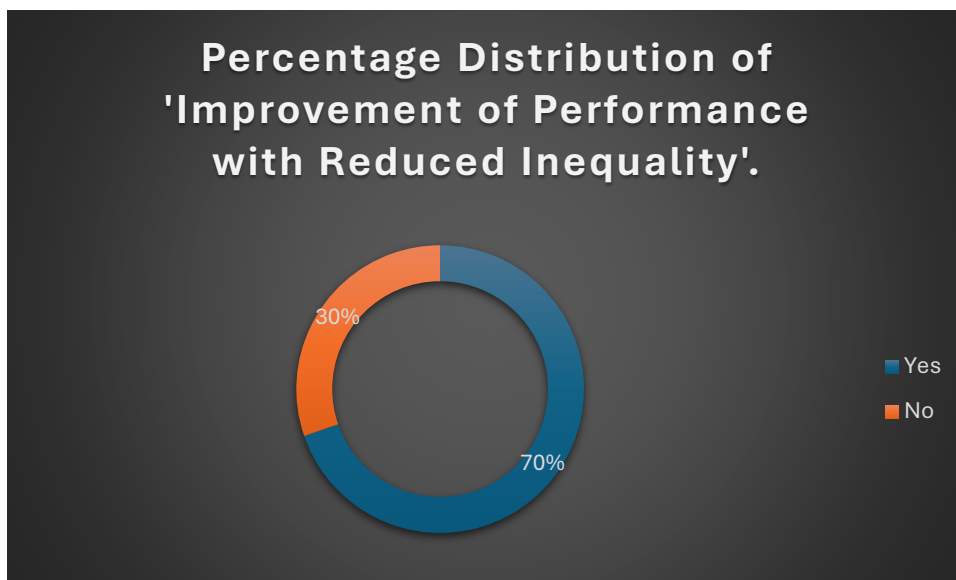


Figure 31: Percentage Distribution on Improvement of Performance with Reduced Inequality

Figure 31 illustrates respondents' views on whether reducing income inequality would improve performance. A significant 70% believe it would, while 30% disagree.

Findings of the Study

Quantitative Findings

1. **Income Gaps Between Men and Women:** The analysis highlighted a clear income gap between men and women. A significant difference was observed, with men earning more on average. The U-statistic of 7867.5 and a p-value of 4.37×10^{-11} confirm that the difference is statistically significant. This suggests that, in this sample, men tend to have higher monthly incomes than women, pointing to a persistent gender pay gap.
2. **Income Differences Within the Same Gender:** Favouritism was identified as a significant factor contributing to income differences. Respondents who cited favoritism reported notably different income levels than those who did not, with a statistically significant p-value of 0.00019.
3. Networking also emerged as a strong influencer of income disparities. Those with better networking opportunities earned more within their gender group, with a p-value of 0.00115.
4. On the other hand, Negotiation Skills did not significantly impact income differences, as the p-value was 0.09675. This suggests that while negotiation skills are often emphasized, they may not play as significant a role in determining income disparities as favoritism and networking.

Qualitative Findings

1. **Organizational Culture:** Respondents frequently highlighted how organizational culture shaped income disparities. The absence of diversity and inclusion policies and inadequate salary audits perpetuated unequal pay and limited promotions. Companies lacking transparent structures often had pronounced disparities.
2. **Diversity Initiatives:** Organizations with robust diversity policies were associated with fairer pay and promotion structures. Conversely, employees in companies with weak or non-existent diversity efforts reported significant inequities, particularly in senior roles, where gender-based disparities were more prominent.
3. **Negotiation Skills:** Effective negotiation emerged as a crucial factor in securing better pay and promotions. Men tended to navigate these processes more effectively, while women faced barriers rooted in societal biases and gender expectations. These challenges hindered women's ability to negotiate on equal terms.
4. **Salary Transparency:** Salary transparency was a common frustration, particularly for women who felt undervalued during negotiations. In educational institutions, additional disparities emerged based on the perceived prestige of subjects taught, with those teaching "less valuable" subjects often receiving lower pay.
5. **Workplace Biases:** Biases related to caste, religion, political ideology, and marital status influenced promotion and salary decisions. Employees from marginalized backgrounds or differing political beliefs reported limited opportunities, while certain groups received preferential treatment. Marital status also played a role, with single employees or those without children sometimes overlooked.

6. **Unconscious Bias:** Women, minority groups, and individuals from lower castes or non-dominant religious backgrounds faced unconscious biases in performance reviews and promotions. Despite similar qualifications, these groups often encountered obstacles due to preconceived notions about flexibility or commitment.

7. **Access to Resources and Senior Roles:** Access to senior roles and professional development resources was uneven, often favouring individuals with informal solid networks. These networks were more accessible to men, dominant caste members, and those aligned with the political views of senior management, leaving others marginalized.

8. **Influence of Informal Networks:** Informal networks played a significant role in career advancements, often determining who gained promotions. Those outside these networks experienced slower career progression, reinforcing a need for more diversity in leadership roles.

Understanding the Results: Implications and Insights

This study bridges theory and practice by analysing income disparities through multiple lenses. Findings confirm the Gender Pay Gap theory, as men earn more than women due to societal and organizational biases, with significant statistical support ($p\text{-value: } 4.37 \times 10^{-11}$). Social Exchange Theory explains intra-gender disparities, highlighting how favouritism and networking give individuals with better social connections an edge in pay and opportunities. The Stereotype Content Model reveals how unconscious bias impacts performance evaluations and promotions, disadvantaging women and marginalized groups despite equal qualifications. Lastly, Institutional Discrimination Theory highlights how organizational cultures lacking diversity and inclusion policies perpetuate systemic inequality, disadvantaging specific groups. These insights emphasize the need to address biases, foster inclusive cultures, and implement equitable policies to combat income disparities.

Implications for Workforce Cohesion and Career Advancement

Workplace income inequality has wide-reaching consequences, not only on an individual level but also organizational dynamics.

1. **Morale:** When employees feel that their efforts are not being adequately compensated or recognized, it significantly impacts their morale. For many women and underrepresented groups, seeing their male colleagues or those with more privileged backgrounds earning more despite similar work leads to frustration and disillusionment. This feeling of inequity can cause a lack of job satisfaction, ultimately affecting employees' overall well-being.

2. **Cohesion:** Workplace cohesion suffers when there is a lack of fairness in employee compensation and promotion. People who feel marginalized or left out of opportunities tend to become disengaged, erasing team trust and collaboration. A lack of equity fosters an environment where people feel they need to be more valued and motivated to contribute their best work, which disrupts the team dynamic and creates division.

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3. **Productivity:** As morale and cohesion decline, so does the organization's overall productivity. When employees are frustrated or feel overlooked, they are less likely to put in extra effort or go above and beyond their duties. Moreover, a lack of diverse perspectives and ideas, often caused by inequalities in access to opportunities, limits creativity and innovation, which are crucial for long-term success.

Policy and Practical Implications

To tackle these issues and ensure a more inclusive and equitable workplace, a few practical steps can be taken:

1. **Implement Transparent Compensation Practices:** Transparency in compensation is critical to eliminating income inequality. Transparent, standardized pay scales should be implemented based on objective criteria (like skills and experience). Regular pay audits should also be conducted to identify gaps or biases in pay distribution. This way, everyone knows they are being paid fairly for their work.
2. **Improve Performance Evaluation Systems:** Standardized assessment tools should mitigate biases in performance evaluations, ensuring all employees are evaluated based on the same metrics. In addition, managers should undergo regular unconscious bias training to understand better their biases and how they may affect their decision-making processes. Peer reviews also help balance individual assessments and provide a more holistic view of performance.
3. **Address Implicit Biases:** Organizational cultures need to change. Companies can introduce mandatory diversity, equity, and inclusion training to reduce implicit bias. This will help employees recognize and challenge their biases related to gender, race, caste, political views, or other personal characteristics. Regular discussions and workshops on unconscious bias can lead to a fairer and more inclusive environment.
4. **Provide Equal Access to Resources and Networks:** High-value resources, like mentorship programs or leadership training, should be equally available to all employees, regardless of background. Informal networking opportunities, which can often be a barrier for certain groups, should be made more inclusive, ensuring everyone has the same chance to connect with decision-makers and gain visibility within the organization.
5. **Support Fair Negotiation Practices:** Offering negotiation skills training to underrepresented groups like women or minority employees can empower them to advocate for themselves and secure better pay and promotions. Additionally, making salary information public within an organization can help ensure all employees know pay standards and avoid unfair pay discrepancies.

Key Findings and Insights

1. **Inter-Gender Income Disparities:** The analysis confirmed that men generally earn more than women, with a significant income gap between the two groups. This gap highlights persistent inequalities and reflects the broader issues of gender discrimination in workplaces.

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2. **Intra-Gender Income Disparities:** Among individuals of the same gender, factors like favoritism and networking were key drivers of income differences. Employees with stronger personal connections or those favored by decision-makers earned more. Interestingly, negotiation skills did not have the expected impact on income disparities, especially for women. This suggests that while negotiation is essential, more is needed to overcome other barriers, such as societal expectations and biases in the workplace.

Recommendations

1. **Ensure Pay Transparency:** Companies should implement clear, fair, and transparent pay structures that reward employees based on their skills and contributions, not favoritism or biased judgments. Publicly sharing salary ranges can ensure that everyone is compensated appropriately and fairly.

2. **Revamp Performance Evaluation Systems:** More objective and consistent evaluation methods will help remove biases from promotion and pay decisions. Incorporating multiple reviewers or peer feedback can also ensure a more holistic and unbiased assessment of employees' performance.

3. **Level the Playing Field with Networking and Development:** Organizations should offer all employees equal access to mentorship, leadership training, and networking opportunities. Ensuring that no one group has exclusive access to valuable resources can help create a fairer playing field for everyone.

4. **Tackle Unconscious Bias:** Organizations should provide regular training to help employees recognize and combat unconscious biases. Ensuring hiring, pay decisions, and promotions are based on merit rather than personal connections or stereotypes will help reduce disparities.

5. **Promote a Culture of Inclusion:** Companies should foster an inclusive culture where all employees feel valued, regardless of gender, background, or status. Policies that promote diversity and inclusion should be at the heart of the company's values and practices.

Future Research Directions

1. **Longitudinal Studies:** It would be helpful to conduct long-term studies that track the impact of policy changes over time, such as when organizations implement diversity initiatives or adjust their pay structures. This would help us understand how these changes affect income disparities in the long run.

2. **Industry-Specific Disparities:** This study focused on broad organizational trends, but disparities may look very different across industries. Future research could look at specific sectors like education, healthcare, or technology to see how income disparities exist in different work environments and what unique solutions might be needed for each.

3. **Understanding Intersectionality:** Income disparities are not only shaped by gender. The intersection of race, caste, religion, and political views also plays a significant role in shaping workplace experiences. More research could be done to explore how these different identities interact and impact career opportunities, pay, and promotions.

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4. **Impact of Organizational Culture:** Another area for future research is exploring how different types of organizational culture, such as hierarchical versus egalitarian, affect income equality. Understanding the role of culture in shaping fairness at work could lead to more targeted solutions for reducing inequalities.

Conclusion

Economic inequality in India is a multifaceted challenge driven by gender gaps, wealth concentration, and systemic barriers. The top 10% of the population controls 57% of the country's income, while the bottom 50% holds only 13%. Women face significant exclusion, with one of the world's lowest female labor force participation rates deepening income disparities. Rural and marginalized communities, such as Scheduled Castes and Tribes, remain disproportionately disadvantaged as urban sectors prosper. To bridge these gaps, India must implement gender-sensitive policies, equitable education reforms, and initiatives like Universal Basic Income (UBI), ensuring economic growth benefits all citizens sustainably and inclusively.

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