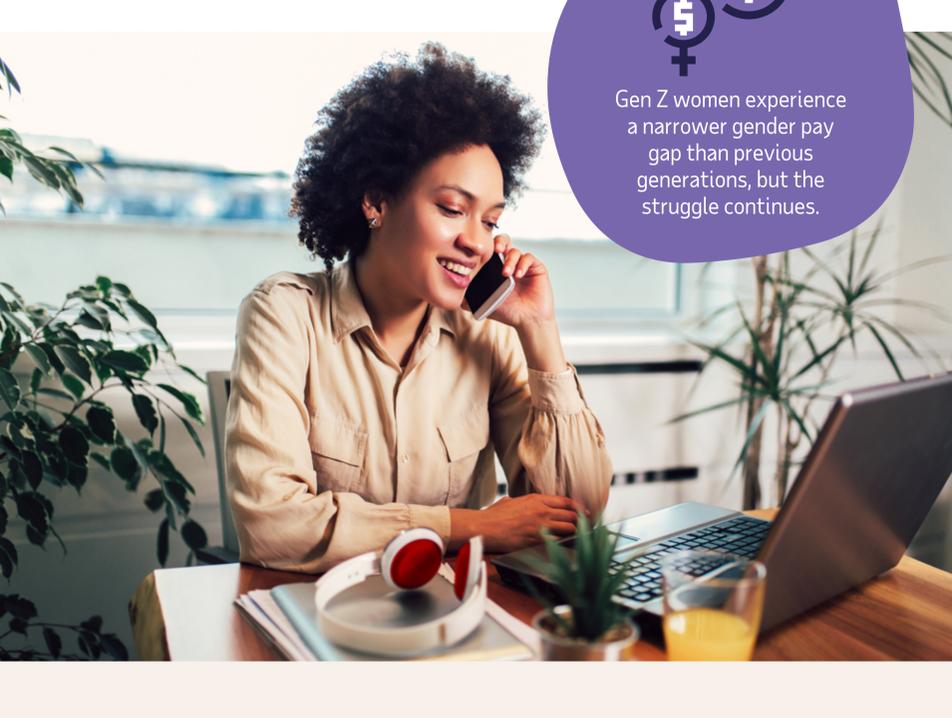
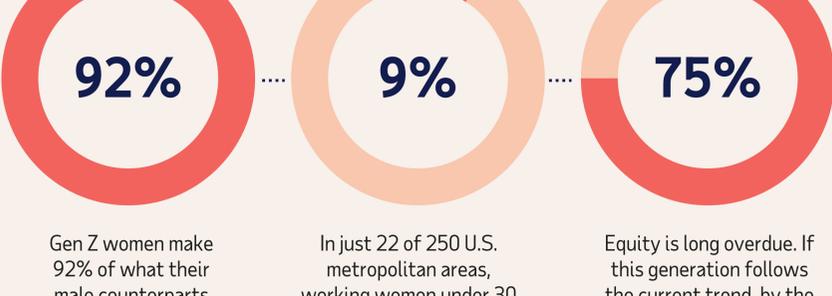


Examining the Gender Pay Gap



Gen Z women experience a narrower gender pay gap than previous generations, but the struggle continues.



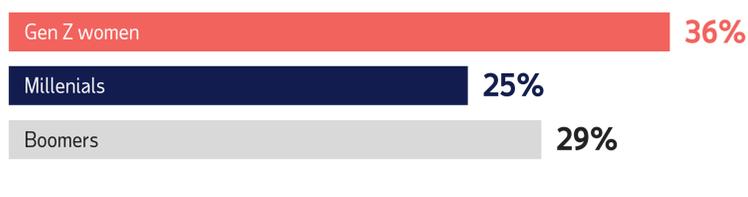
Gen Z women make 92% of what their male counterparts make.¹

In just 22 of 250 U.S. metropolitan areas, working women under 30 have parity with men or even earn more than men.²

Equity is long overdue. If this generation follows the current trend, by the time Gen Z women are over 55, they will have earned 75% of what Gen Z men have.³



Gen Z women are more optimistic about their future earnings than more tenured workers



36% of Gen Z women believe that gender equality in the workplace will improve, compared to 25% of millennials and 29% of boomers.⁴



Why are Gen Z women still making less than men? Obstacles and disadvantages

About 40% of a gender pay gap is the result of a glass ceiling while 60% comes from a sticky floor.⁵

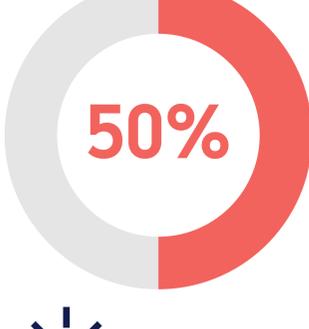
40% Glass ceilings are the obstacles that prevent women from advancing their careers, such as not applying for a promotion because they need to work part-time due to caregiver responsibilities.



60% Sticky floors are the disadvantages that women face at all career stages, such as a hiring manager assuming that women are less competent and offering a lower salary.

Caregiving and motherhood

Almost half of working moms take time off from work beyond maternity leave and the average break is about two years.⁶



This can make it challenging for working mothers to stay on par with the experience level of their male counterparts.

Gen Z women are more skeptical about expanding their families.



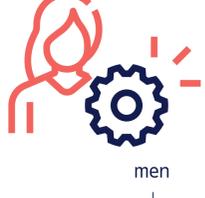
27% of Gen Z working moms are unsure about having another child.⁷



40% cite career reasons and work arrangements as key obstacles.⁷

Performance vs. potential

Women have higher performance ratings than men but received 8.3% lower ratings for potential than men, and on average were 14% less likely to be promoted than their male colleagues.⁸



How employers can close the gender pay gap

- Focus on mentorship. When women mentor men, workplace inequality improves.⁹ Networking-based mentorship can also help.¹⁰
- Support caregivers with flexible schedules, remote work, part-time work and job-sharing models.
- Understand how pay transparency can shrink gender wage gaps.¹¹
- Expand benefits that support working women, such as family services, maternity leave and childcare.¹²
- Make equity a core organizational value. Create equitable policies and practices, hold leaders accountable and perform regular audits.¹³

To learn more about addressing the gender pay gap and other challenges, visit [ADP.com/DEI](https://www.adp.com/DEI)