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Every Day Is Like Equal Pay Day for Corporate America's CEOs



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By [Andrea Vittorio](#)

The one place in corporate America where pay is more or less equal across genders is at the very top, according to new academic research.

Unlike workers in lower ranks, male and female CEOs of companies in the S&P 1500 index don't see a meaningful difference in how much they get paid,

researchers at the University of Alabama found in a paper set to be published later this year.

Women working in the U.S. make about 80 percent of what men make, meaning they'd have to work until April 10, [known as](#) Equal Pay Day, to reach men's median earnings for the previous year.

Vishal Gupta, one of the paper's authors, said pay may be more equal among CEOs because company boards and shareholders pay more attention to their CEO pay packages than to other workers' compensation. There's also more transparency around CEO pay, with annual reporting required for public companies.

"I think the fact that there's so much sunlight on CEO compensation makes it difficult for companies to underpay women," Gupta, who teaches business at the University of Alabama, told Bloomberg Law. "There's not so much sunlight into other positions."

That's changing thanks to a U.K. disclosure law that forced more than 10,000 companies, including U.S.-based firms with workers in Britain, to disclose their gender pay gaps for the first time. Company figures reported as of the April 4 deadline show that women are often under-represented in higher-paying roles. It's made for some [headline-grabbing](#) gaps at companies such as HSBC Holdings Plc, where women earn 59 percent less than men on average, according to the bank's disclosure.

Few Female CEOs

The broader gender pay gap is well-studied, but little work has been done on pay differences at the CEO level, where there are few women to analyze. Women represented only about 2 percent of the chief executives in Gupta and co-author Sandra Mortal's 18-year sample.

Gupta and Mortal, who worked on the paper with Ph.D. student Xiaohu Guo, wanted to test a finding from prior research in academia and media reports that women actually get paid more than men as CEOs.

"We were reading academic papers and media articles that talked about pay discrimination against women in the workforce, but also a pay gap favoring women at the CEO level," Mortal said in a statement. "Something just didn't add up for us, so we decided to take a hard look at the data on CEO compensation in the United States to see what is really going on."

CEO compensation has increased as more women have become CEOs. Failing to account for those changes over time skewed the prior studies' results, Gupta said.

The newer research also controlled for other factors, including a company's performance and size. Women such as International Business Machines Corp.'s Ginni Rometty and PepsiCo Inc.'s Indra Nooyi lead large, successful companies, which tend to pay more regardless of who the CEO is, according to governance data provider Equilar Inc.

Equilar hasn't done a comprehensive study on the gender pay gap for CEOs. But its annual look at S&P 500 companies' pay packages has [shown](#) that the handful of top executives who are women tend to be paid on par with or slightly more than their male counterparts.

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