

More than a third of female graduates ‘dramatically underestimate their worth’

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We may be making some progress when it comes to the glass ceiling but women might also have a “lead floor” to contest with as new research reveals that female graduates dramatically underestimate their earning power when applying for their first job out of university, which could be contributing to a stubborn gender pay gap later in life.



Results from a survey of 5,000 postgraduates show that more than a third of female respondents indicate that they expect a starting graduate salary of £20,000, which falls a staggering £10,000 short of the median UK graduate wage of £30,000 per year.

The study – conducted by the graduate career website Milkround – shows that only 17 per cent of women expect to earn between £25,000 and £35,000 in their first jobs, compared with almost half of male graduates. Milkround found that just 18 per cent of male graduates say they are prepared to accept a starting graduate salary below the £20,000 mark and that this confidence in their own worth gives them a head start when it comes to their salaries, paving the way for a gap further up the road.

Despite efforts by policy groups, charities and the Government to close the gender pay gap, progress has been sluggish. According to the Fawcett Society, the overall gender pay gap for full-time workers is still about 14 per cent. A report published by the Department for Education in June shows that, five years into their careers, women still earn on average £6,500 less than their male peers.

“Although we’re very aware of the existing gender pay gap, it was a surprise for us to see that so many female graduates do not realise their worth when starting their careers, a fact that may contribute to a difference in pay,” said Francesca Parkinson from Milkround. “Nearly 85 per cent of female graduates do not know their own value, which may have a knock-on effect in their future earnings.”

On Wednesday, the BBC sparked national outrage when it published the salaries of its top earners revealing a damning chasm between the salaries of its top paid male and female stars.

From April next year, companies across the UK employing more than 250 people will have to publish their gender pay gap figures on their websites. They must provide the mean and median gender pay gap in hourly pay as well as the mean and median bonus gap, the proportion of males and females receiving a bonus and the proportion of males and females in each pay quartile.