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**PAY-GAP GOVERNANCE: A KEY SOLUTION TO ORGANISATIONAL CULTURAL
STEREOTYPICAL CONCERNS**

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Pay gap management solves cultural stereotypes by reducing discrimination among employees and decreasing occupational segregation. Initiation of an organisation to promote and manage the equal pay gap contributes to the stereotypical cultural shift of gender discrimination and improves the social mindset that has been labelling the roles of women and men. Closing pay gaps ensure equal pay and remove cultural barriers allowing women to fully participate in the workforce (wgea.gov.au, 2016). This essay aims to argue that governing the pay gap solves conventional cultural issues, promotes pay equity, and equality in the workplace irrespective of all cultural stereotypes. The essay will further argue that eliminating the pay gap in an organization helps to promote workplace equality by reducing gender, racial, and equality issues in the workplace.

Reducing the gender pay gap helps to deal with cultural stereotypes as it accelerates a company's profitability by inviting more women into the workforce and uncovering women's workplace skills that have been hiding under cultural stereotypical notions. Australian organizations are reducing significant employee inequality markers, such as pay and superannuation, thus undertaking a strategy "*Towards 2025*", to increase women labour force participation in workplaces (Baird & Heron, 2019). The report of abc.net.au (2019), revealed that halving Australia's gender pay gap is a fiscally responsible endeavour to escalate economic growth (\$60 billion) by 2038; entrenching women's discrimination. It is further evaluated that solving the earnings gap can change the historic system of undervaluing women's workplace contributions and making them do the same job as men with a low wage. This proves that pay gap reduction can lead to paying equity; ensuring both men and women perform the same job role with the same amount paid and performing the different jobs of comparable or equal value

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paid equitably. Closure of the gender pay gap is the current policymakers to balance gender equality in organizations. On the contrary, a journal report states that these policies are only effective if they are applied in an organizational context and the assumed time of the gender pay gap complete closure is 70 years and more, which is a long-term process (ilo.org, 2020). Although the progress of earning equity is slow; there are economic strongholds that assume that the gender pay gap will diminish in coming years as women are heading forward challenging the cultural stereotypical set-up. On a whole, it can be concluded that organisations can achieve their profit goal ensuring a stereotype and discrimination-free workplace for women by managing the pay gap.

Governing the racial pay gap can break all the stereotypical ideas of discriminating American native, and immigrant employees in workplaces by providing them unequal opportunities to immigrants to participate in workplaces. Narrowing the wage gap can make the workers learn the host country's cultures and make them a part of Australian culture, hence enabling them to participate in the workplaces same as the nationals (wol.iza.org, 2015). It has been noticed that the policymakers have understood that equalizing wages can create equality in the workplace irrespective of racial and social class grounds (Tomaskovic-Devey, 2014). Therefore, it can be evaluated that providing full and deserved salary to all race employees can create a sense of belongingness and better employee engagement. The organisations are under obligations of promoting anti-discrimination law, thus providing fair wages to all as guided by the Racial Equality Commission, which can result in a better multicultural workplace. Regarding salary structure, it has been reported that salaries are decided based on the contribution of native employees as there is a pre-notion that Australian employees contribute more than other races in

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workplaces according to the cultural stereotypes (workplace assured.com.au, 2019). The statement has its limitations, as in the present situations, the organizations make a selection based on the skills of employees regardless of race. Therefore it can be concluded that reduction of wage discrimination can enhance better company performance by promoting skills from all races in an organization and improve working in varied workplace cultures and ethnic groups.

Initiating equal wage distribution to all diverse lingual employees can solve all the stereotypical wage discrimination against the non-ethnic workforce group in Australia, as this can create a sense of belongings and motivate workers to take the organizations like their own. Rapid globalization and internationalization have broken all the typical wage gap stereotypical thoughts of making a different tongue-speaking employee feel like an outsider in Australia, and thus it has resulted in a new culturally diverse workforce; attracting innovation and talents from around the world with deserved wages (D'Netto *et al.* 2014). It has been found out that, immigrants more proficient in English tend to earn greater, this initiates the urge in immigrants to spend their own money to learn a new language of a French-speaking organization in Australia breaking the cultural stereotypes (Chiswick & Miller, 2015). This proves that organizations can be directly benefited by reducing the wage gap as it will provide everyone with a comfortable and trusted cultural platform to show their skills. On the contrary, some organizations such as, do not believe migrants have more talent than the Australian natives, and thus their wages must not be the same as the Australian workers (Guyen & Islam, 2015). This finding has a limitation when it comes to the comparison of skill and contribution, the migrants are no less than native skilled workers, except for their language barrier. Therefore, it can be concluded from this discussion that providing equal payment to all language speaking employees

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can enhance their motivation to learn new cultures breaking the stereotypes of the language barrier.

This essay concludes that eliminating the pay gap is beneficial for Australian organizations to solve cultural stereotypical issues and establish pay equity among employees. As mentioned, pay gap reduction can solve major issues such as gender, race, immigration and language discrimination. The essay first argued that reducing the gender pay gap promotes gender equality in the workplace and increases the workplace involvement of women. The second argument is eliminating the pay gap can finish racial discrimination, providing a fair chance to varied cultured employees. Lastly, the managing pay gap can diminish immigrant and language discrimination. Therefore this essay successfully argued that pay-gap administration diminishes all the cultural stereotypical ideas and adds a greater value for organizations' profitability.

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