



Giraffe

Giraffe sheds light on South Africa’s gender income gap

Globally, there is a dearth of accurate and up-to-date data on women’s engagement in the economy. Author Caroline Criado Perez refers to this as a phenomenon of “invisible women,” with notable repercussions that include a higher likelihood of having a heart attack misdiagnosed (up to 50 percent more for women) and dying in a car crash (17 percent higher for women owing to the male-modeled design of car safety features).¹ Whereas recent studies have focused on highlighting gender gaps in asset ownership and employment,² very little data exists on the effects of gender data gaps for the private sector. IFC Digital2Equal member Giraffe analyzed user data to assess wage discrepancies between men and women and inform how the platform and other companies could proactively address them.

South Africa is among the fairest countries in the world when it comes to pay gaps between men and women; it currently ranks 17th of 149 countries on the World Economic Forum’s Global Gender index, also featuring in the top 10 of rankings

for health and political empowerment.³ However, national data do not tell the full story. Giraffe’s data reveal larger wage discrepancies at the bottom of the wage distribution curve: the “sticky floor” of South Africa’s labor market.

The sticky floor refers to the difficulty faced by women caught at the bottom of the labor market. Analysis of salary figures from 122,000 job applicants on the Giraffe platform reveals a widening wage gap at the bottom of the distribution curve, indicating that low-income women earn significantly less than their male counterparts compared with women in middle- and higher-income brackets. This discrepancy is true even in female-dominated industries; for instance, not only do domestic workers take home lower pay overall, they also earn less compared with men who do the same jobs. This undervaluation of traditionally female skills, coupled with the volatility and job insecurity of the sectors where they are concentrated, exacerbates the sticky floor phenomenon.

Giraffe also finds that, while there doesn’t appear to be a significant disparity in educational attainment, the repercussions of having a lower level of education are far more dire for women. Women will earn on average 33 percent less than men without a Matric (South African equivalent to the United Kingdom’s O Level or the GED in the United States). This discrepancy is likely because lower-educated and lower-skilled men often have access to a wider range of employment possibilities in male-dominated industries such as construction, warehousing, and transportation—all of which pay more compared with female-dominated industries such as cashiers and clerks.

Quick facts about Giraffe

Headquartered in Johannesburg, South Africa, Giraffe is an automated mobile job matching platform that helps jobseekers find work and employers rapidly source and screen the best candidates.

Founding year: 2014

Footprint: South Africa

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Case Study: GIRAFFE

Figure 1: Average salary by occupation, sorted by percentage female



NOTE: BASED ON AVERAGE SALARY, SOUTH AFRICAN RAND, R, THOUSANDS.

In addition to diagnosing the challenge, Giraffe's findings offer unique insight on how to address the gap. Specific recommendations the Giraffe study made include the following:

- **Offer childcare facilities at the workplace:** Mothers with small children will be more likely to return to work and be more productive, thereby naturally decreasing the pay gap.
- **Create a work-from-home policy:** A compelling work-from-home policy can help engage and retain working mothers, especially given increasing levels of internet connectivity and collaboration tools.
- **Redesign jobs roles to cater for part-time and flexible roles:** Doing so will help retain women employees with children and enable more flexibility in their career paths.
- **Find the pay gaps and fix them:** Transparency is a key pillar in addressing pay discrimination. South Africa's Employment Equity Act enforces the principle of equal pay for work of equal value and requires employers of more than 50 people to report on income differentials between men and women.

- 1 Caroline Criado Perez, *Invisible Women: Data Bias in a World Designed for Men* (New York City: Harry N. Abrams, 2019).
- 2 Cheryl Doss and others, "Measuring Personal Wealth in Developing Countries: Interviewing Men and Women about Asset Values," Gender Asset Gap Project Working Paper Series no. 15, Centre of Public Policy, Indian Institute of Management Bangalore, 2013.
- 3 World Economic Forum, *Global Gender Gap Report 2020*, Insight Report (Geneva: World Economic Forum, 2020), http://www3.weforum.org/docs/WEF_GGGR_2020.pdf.