

GENDER AND SALARY: A STUDY OF ACCOUNTANTS IN JAPAN

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Abstract

The existence of a male-female salary differential among accountants has been noted in many countries. This study focused on accountants in Japan. The principle of “equal pay for equal work” was introduced in Japan in 1947 via the Labor Standards Law. A recent report, however, ranked Japan 41st in terms of the Gender Empowerment Measure, an international measure of gender equality. This ranking places Japan below not only western industrialized countries, but also below developing countries such as El Salvador. As a result, concern exists as to the continuing existence of a salary gap in Japan.

We obtained salary, pay satisfaction, and demographic data from 235 professional accountants in Japan. The results support the existence of a gap in salary between male and female accountants. Both men and women, however, were equally satisfied with their salary. These findings are discussed in the cultural context of Japan.

Introduction

In December 1996, the Japanese government rolled out the Plan for Gender Equality 2000 (1996), a plan to achieve a gender-equal society by the year 2000. Though numerous efforts had been made during the period since World War II, gender equality had not yet been achieved. The Plan noted that Japan's future success in dealing with the economic and social changes taking place was dependent upon gender equality in order to "address such changes, achieve historical reform, and build a prosperous stable society in the future" (Plan, 1996). The comprehensive plan addressed a broad range of issues, including equal opportunity and equal treatment in employment and education, and planned a series of initiatives to carry out the ambitious agenda. The passage of the Basic Law for a Gender-Equal Society in 1999 (Plan, 1996) successfully marked accomplishment of one of the key elements of the Plan.

Despite these efforts, however, Japan dropped to 41st in 2000 out of 70 (from 38th in 1999) in terms of the Gender Empowerment Measure (GEM), an international gender equality measure created by the United Nations Development Programme (Hashimoto, 2001; Kakuchi, 2001). Japan's 41st rank placed it below not only all of its economic peers, the western industrialized countries, but below developing economies such as Mexico, El Salvador, and Belize (United Nations Development Programme, 2000).

This lack of progress has not gone unnoticed within Japan. In February 2002, Nomura Securities, Japan's largest securities firm, was ordered to pay \$420,000 to thirteen women who had filed charges of sexual discrimination in promotion and pay (Bhagat, 2002).

The GEM evaluates countries based on criteria used to assess the level of women's participation in society. A key component of GEM is the income women earn (Kakuchi, 2001). Wage differentials in Japan are known to exist. For example, reports indicate that a 10% to 20% differential between male and female employee wages exists in most companies (Changing roles, 2002). What is not known, however, is whether a wage differential exists in public accounting firms.

This study focuses on professional accountants in Japan and asks the following questions. Does the pay differential between men and women found in other industries also exist in public accounting firms? Can the pay differential, if it exists, be explained in terms of legitimate labor market factors such as education and experience or must the pay differential be attributed to gender? Finally, does a difference exist in the pay satisfaction of male and female Japanese accountants?

BACKGROUND

Salary-Related Research

Prior research on the salary differential between male and female accountants has indicated that labor market factors such as education, experience, and responsibility contribute more toward explaining the differential than gender. Such research has been conducted primarily in the United States (U.S.) (Anderson et al., 1994; Hull & Umansky, 1997; Johnson & Scandura, 1994; Schaefer & Zimmer, 1995) and Australia (Stedham & Yamamura, 2000). A study of Irish accountants, however, found that gender added 3% in explaining the salary variation (Brennan & Nolan, 1997).

The relationship between pay level and pay satisfaction (e.g., Heneman, 1985; Lawler, 1981; Wallace & Fay, 1987) has also been addressed. The results of that research demonstrate the importance of providing compensation that is perceived as "equitable."

Perceptions of inequity result in dissatisfaction and undesirable behaviors such as employee turnover, absenteeism, and low performance. To date, studies addressing this issue in the accounting profession in Japan have not been conducted.

The focus on Japanese accountants enables this study to make several contributions. First, in light of Japan's ambitious plans to achieve gender equality, the results of this study may provide insights into factors underlying the success or failure of such efforts in public accounting. Second, if the results indicate that gender is significantly related to salary, cultural, legislative, and management factors need to be explored further to determine how gender influences salary. Third, the international accounting firms operating in Japan need to be aware of differences in pay equality between male and female accountants in Japan because, for example, a significant difference in pay may cause problems in expatriate assignments. Finally, no study has investigated satisfaction with pay among male and female accountants in Japan.

The Accounting Profession in Japan

From its beginnings with the passage of the Certified Public Accountant Law in 1948, the public accounting profession has grown to approximately 13,000 Japanese CPAs and 150 auditing firms (Japanese Institute of Certified Public Accountants, 2002). The profession is dominated by the four largest CPA firms, each of which is affiliated with one of the Big Four international CPA firms.

The accounting profession grew steadily throughout the 1990's despite the economic problems afflicting Japan during the same time period. Between 1990 and 2000, the number of CPAs in Japan grew by more than 50% (Japanese Institute of Certified Public Accountants, 2002). As a result, it provided employment opportunities for the increasing number of female graduates from the

colleges and universities. The potential influx of women into the Japanese accounting profession provides an opportunity to explore the effectiveness of the gender-equality legislation and related efforts within a single industry segment.

Gender-Related Legislation in Japan

As found in all industrialized countries, Japan has enacted numerous laws to ensure gender equity, particularly in employment. The Japanese Constitution adopted in 1946 manifests that “All of the people are equal under the law and there shall be no discrimination in political, economic or social relations because of race, creed, sex, social status or family origin.” (Women, 2002). Specific statutory laws focus on gender equity including the Fundamental Law on Education that has been amended to give equal educational opportunity to boys and girls and the Basic Law for a Gender Equal Society that requires sharing of responsibilities and elimination of gender discrimination in household work, child-raising, and care (Working Women, 2002).

Employment-focused legislation includes the Labor Standards Law that requires equal pay for equal work (Jung, 2002) and the Equal Employment Opportunity (EEO) Law that prohibits sexual discrimination in vocational training, fringe benefits, retirement age, and dismissal (Shinotsuka, 1989). Lam (1993) describes the Japanese EEO Law as peculiar in comparison to similar laws in western industrialized countries. The Japanese EEO Law grants very few new rights to women and imposes only limited legal obligations on employers. Although, as indicated above, employers are not allowed to discriminate against women with respect to benefits, dismissal, and retirement, the law merely “exhorts” (morally obliges) employers to treat women equally to men with respect to recruitment, job assignment, and promotions. The foundation for the Japanese EEO Law is fundamentally different from that in other industrialized countries. Whereas in other industrialized countries women’s pressure groups had a major impact on the drafting of EEO legislation

that was not the case in Japan. In Japan women's pressure groups have not consolidated as a major social force and, hence, did not have any impact on such legislation (Lam, 1993). In fact, the Japanese EEO Law reflects the power of "management" and its desire for maintaining and defending the existing personnel systems that are designed around the notion of seniority. Keeping female employees in lower levels and outside the core systems allows Japanese companies to maintain low-cost peripheral employees and creates flexibility in the employment system. Changes to the personnel systems are expected to result in chaos and "to destroy the vitality of the Japanese economy" (Lam, 1993: 207).

Therefore, the EEO Law has simply become a new "moral" standard" to stimulate good practice with employers in Japan setting the pace for further yet "controlled" change. In practical terms, the law has not had notable effects on recruitment practices since separate recruitment processes continue to exist for men and women and the number of men and women to be hired is determined in advance. However, some superficial change has occurred. For example, at the point of entry men and women are offered a choice between two career tracks: managerial and clerical. The managerial track carries with it an extensive mobility and commitment requirement. Japanese women are less likely than men to choose this track (1.3% of women compared to 99% of men in 1987) because they cannot commit to mobility since they are expected to eventually become a "professional housewife" (Lam, 1993; Saso, 1990). In fact, because of these choices Japanese women do not enter the firms' internal labor market which is the most essential aspect for advancement in Japanese companies. However, it must be noted that most recently, in 1999, the Revised Equal Opportunity Law has been enacted (Women's Working Conditions, 2001). This law explicitly prohibits sexual discrimination in recruitment,

hiring, placement and promotion. In addition, the Labor Standards Law amendment of 1999 repealed limitation of overtime and holiday work and prohibition of late-night work for women (Changing roles, 2002).

Another interesting note is that most of the employment-focused gender equity legislation in Japan has been enacted quite recently (80's and late 90's). By comparison, most of the equal employment opportunity legislation in the U.S. was enacted during the 1960's - much earlier than in Japan. Cultural, historical, as well as social factors underlie this difference. Women's role in Japan has been established for centuries and has been focused on ensuring the viability of the family. This role is "not regarded as second rate by the woman herself or by her family ... but as vital in many ways" (Hendry, 1993: 239). The notion of unpaid and unrecognized domestic work as promoted by western feminists is not so relevant in Japan (Saso, 1990). Japanese women bear primary responsibility for maintaining the "ie" – the extended family system, including the family business - by ensuring that all "positions" are filled properly and that the children are nurtured and, most importantly, well educated (Hendry, 1993; Martinez, 1993; Saso, 1990). It is a well-accepted choice for an educated Japanese woman to be a highly motivated and efficient mother. Therefore, it has been concluded that the Japanese EEO legislation was primarily a result of external, international pressures rather than internal social pressures (Hendry, 1993).

Gender Empowerment Measure (GEM)

The GEM is the most recent effort to address gender equality issues around the world. It was developed by the United Nations Development Programme as a means of monitoring the level of participation by women in a society. It is based on four criteria – the ratio of seats held by women in parliament, the ratio of female administrators and managers, the ratio of female professionals and

technical workers, and the income earned by women. The 2000 rankings included 70 countries with Norway ranked #1 and Niger ranked #70 (United Nations Development Programme, 2000).

Japan's ranking of 41st in 2000 was based on the following:

- Ratio of seats held by women in parliament: 9%
- Ratio of female administrators and managers: 9.5%
- Ratio of female professional and technical workers: 44.0%
- Women's GDP per capita (PPP US\$): 14,091

In comparison, in the U.S. 12.5% of parliament seats were held by women, 44.4% of administrators and managers were women, 53.4% of professionals and technical workers were women, and the GDP/capita was \$22,565. The most drastic difference between these two countries is the ratio of female administrators and managers. Only 9.5% of such positions are held by women in Japan. In industrialized countries this ratio is no less than 25%. A second point to note is that women's GDP/capita in Japan is about half of the GDP/capita for the total population, which has been around PPP US\$30,000 during the recent past. This is not true for other industrialized countries where women's GDP/capita is only somewhat lower than the nation's overall rate (for example, the U.S. GDP/capita overall is around PPP US\$ 34,000 while that for women is PPP US\$22,565).

Japan has made noticeably less progress toward gender equity than other industrialized, and even developing, countries. As presented above, the Japanese culture does not imply or support a need for "equality." Maintaining the social stratification and the

existing social and economic structure is at the core of the Japanese culture. EEO laws were enacted in response to international pressures, had minimal requirements, and have not been around long enough to have a measurable effect.

Recently published research by Ogasawara (1998) provides some important additional insights. Ogasawara (1998) describes the career structure in Japan as male-biased. She points out that despite discrimination in the workplace, women have considerable say at home. Sex-roles are strictly delineated in Japan. Studies on this issue (e.g., Hunter, 1993 and Hendry, 1993) have confirmed that the status of women in Japan differs depending on whether the focus is home or work. In the economic context women are clearly disadvantaged and discriminated against as reflected in wages, employment status, and promotions. This situation, however, is balanced by the power and dominance Japanese women have in family and home life. These findings imply that gender roles and gender stratification are far more complex in Japan than in other industrialized countries. This study focuses on women in the workplace. Given the complexity of gender roles in the Japanese culture, the overall context of the role of women in Japan must be considered in the interpretation of the study results.

HYPOTHESES

We have adopted a model that distinguishes between labor market factors and personal characteristics to study salary and gender in the accounting profession in Japan. The model includes labor market or legitimate factors such as education, experience, and level of responsibility. It also includes personal characteristics, or protected factors, such as gender. Research on gender and salary in accounting found that a gap exists. Hence, we propose the following hypothesis:

Hypothesis 1: There is a male-female gap in the salary of accountants in Japan.

Previous research also indicates that this gap can be explained based on labor market factors. However, in light of the demonstrated gender inequity in Japan we propose that:

Hypothesis 2: Gender does contribute to explaining salary of accountants in Japan.

Furthermore, we suggest that women's satisfaction with pay is a function of awareness and perception. Women accountants are highly educated professionals who are likely to be aware of a salary differential if it exists. Such women are also likely to be aware of anti-discrimination legislation and to recognize that differential pay may be both illegal and unfair. This logic, however, does not seem to apply to Japanese women. Lam (1993) analyzes why Japanese women accept the conditions of discrimination in the workplace. She suggests two arguments. First, women have no desire to actually accept higher-level positions and the associated working conditions. They are not willing to conform to male working norms such as long working hours and mobility. Secondly, Japanese women have been slow in developing equality consciousness. They are willing to accept the current conditions to maintain harmony and social well-being. Hence, we propose the following hypothesis:

Hypothesis 3: Female accountants in Japan are not less satisfied with pay than male accountants.

METHODOLOGY

Sample

Data were collected by means of survey questionnaires completed by 235 respondents employed by five public accounting firms in Tokyo, Nagoya, and Osaka in Spring 2002. The survey instrument adapted from Taylor et al. (1999) was translated into

Japanese by a Japanese member of the research team and subsequently back-translated into English. After consultation, appropriate changes were made in the instrument to ensure content validity for the Japanese sample.

Table 1 summarizes the sample statistics. Respondents ranged from their early 20's to over 60, although the majority were in their 20's and 30's. Most held a bachelor's degree, while 6% also held a master's degree. The sample consisted of approximately ½ non-managerial levels (from staff through supervisor) and ½ managerial levels (from manager through partner). Males outnumbered females by a ratio of approximately 5 to 1, with 16% of the sample female and 84% male.

Insert Table 1 about here

Measures

Table 2 presents the study variables and their measures. Respondents provided their annual salary (SALARY), expressed in ten thousands of yen. Gender was a dichotomous variable (1 = male and 0 = female). The “satisfaction with pay” component of the Job Descriptive Index was used to measure pay satisfaction (PAY SATISFACTION) (Smith et al., 1969).

Based on prior research, the following labor market variables were included: level of responsibility, experience, and education. RESPONSIBILITY was measured as the level the respondent was holding in the firm (staff accountant, senior accountant, supervisor, manager, senior manager, partner). Professional experience (EXPERIENCE) was measured as the number of years in

public accounting. EDUCATION was measured as the highest degree the respondent had completed (Bachelor's, Master's). A control variable (CITY) to account for regional pay differences was also included.

Insert Table 2 about here

Statistical Methods

Mean comparisons were used to evaluate the differences between male and female accountants in salary, labor market factors, and pay satisfaction. Pearson correlations enabled an initial assessment of the relationships among labor market factors, gender, and salary. Multivariate regression analysis was then employed to assess the relationship between labor market variables, gender, and salary while controlling for the effect of other predictors of salary. To normalize the dependent variable, the log of SALARY was used in the regression model (Neter et al., 1985).

RESULTS

Table 3 provides descriptive statistics by gender and t-statistics for the mean comparisons.

Insert Table 3 about here

The average salary of female accountants in Japan was Y6,829 (in ten thousands of yen) compared to Y8,596 for male accountants. The female/male salary differential of .79 was highly significant at $p < .000$. These results support Hypothesis 1.

Significant differences also appeared by level and for experience and education. At the higher levels of management, only two women were senior managers and none were partners. In terms of education, while all respondents held bachelor's degrees, only 3% of the women held master's degrees, compared to 7% of the men. Male accountants had over one and a half times as much experience (8.46 years) as female accountants (5.37 years). Only 5% of women were in senior management whereas 18% of men were senior managers. About seventy-five percent of the women held positions at the staff, senior, and supervisor level whereas only about 49% of the men were found at these levels.

Table 4 summarizes Pearson correlations among the study variables. Note that gender was coded as 1 for male and 0 for female. The correlation between salary and gender was significant and positive (.157*, $p < .05$) implying that women were associated with lower salaries. This result supports Hypothesis 2.

Experience and responsibility were significantly related to salary. Experience was positively and significantly related to salary (.890, $p < .01$). Responsibility was both positively and negatively related to salary, positively for the senior manager and partner levels and negatively for the staff level. The positive, significant correlation between gender and experience (.154, $p < .05$) indicates that female accountants in Japan tended to have less experience than male accountants.

Insert Table 4 about here

Table 5 presents the results of the regression analysis. Gender did not significantly contribute to explaining accountants' salary. The model was highly significant with an adjusted R-squared of .872 ($p < .000$). Experience was highly significant as were all of the responsibility levels. Neither education nor city was significant. The regression results do not support Hypothesis 2.

Insert Table 5 about here

The mean comparison with respect to pay satisfaction for male and female accountants (Table 3) indicates that no significant difference was present between the satisfaction of female and male accountants with their pay. Hypothesis 3 is supported.

DISCUSSION

The purpose of this study was to determine whether there is a female/male salary differential for accountants in Japan and, if so, to explore possible explanations for such a differential. We also investigated whether male and female accountants differed with respect to pay satisfaction.

Consistent with the results for other industrialized countries, we expected that a salary differential does exist. Although Nakata and Takehiro (2002) found large male-female wage differentials across a variety of positions, we found that the salary ratio for female to male Japanese accountants was .79. This ratio is higher than found in previous research on the accounting profession. For instance, Stedham and Yamamura (2000) found the respective ratio to be .71 for the U.S. and .66 for Australia. These relative results are surprising considering the Gender Empowerment Measure results for Japan. Japan scored considerably lower on that measure than the

U.S. and Australia. This lower score is primarily due to the low representation of women among administrators and managers. The fact that the female/male salary ratio is comparable and even better in Japan implies that once Japanese women choose a certain career they do not experience more pay discrimination than women in other countries.

Although the bivariate correlation indicated a significant relationship between gender and salary, the multivariate results did not support a direct impact of gender on salary. Experience and level, legitimate labor market factors, were significantly related to salary. Experience contributed the most to explaining salary. The staff level was negatively correlated with salary while the senior manager and partner levels were positively correlated with salary. The importance of experience reflects the emphasis on seniority and tenure in Japanese companies. In fact, although the bivariate correlations between experience and salary were positive and significant in previous studies for the U.S. and Australia (.641 and .533, respectively), the correlation between the two variables for Japanese accountants was much higher ($r = .890$). This emphasis on commitment to a company and job security is at the core of the Japanese employment system. Japanese management defends that system and fears that moving away from seniority and to an emphasis on merit would disrupt and destabilize the male career hierarchy (Lam, 1993). The most recent EEO Law (Women's Working Conditions, 2001), however, may force Japanese companies to make changes.

Why do Japanese men and women in the accounting profession differ with respect to experience? Male accountants in Japan have more than twice the number of years of experience than female accountants. Although Stedham and Yamamura (2000) also found that male accountants had more experience than females in the U.S. and Australia, the ratios were much smaller. This result may indicate that even highly educated and qualified Japanese women quit their careers and choose to pursue the traditional role of

“professional housewife.” Hence, they do not accumulate the level of seniority required to stay in or re-enter the internal labor markets of companies. This choice has to be seen in its cultural context. The Japanese view the family - the success and viability of a family – as most important. The individual, the wife and mother, who dedicates herself to ensuring the success of the family is admired and greatly respected. According to Hendry (1993), professional housewives in Japan gain status from several sources including their own skills and the continuous development of their skills as they relate to “managing the family.” Hendry (1993) further suggests that Japanese women have a great impact on the Japanese economy through their economic decisions and through allowing men to be completely dedicated to work. Japanese housewives are also wielding an influence on the economy through organizations such as the Japan Housewives Association. These organizations allow them to address economic issues and to ensure the personal, social, and professional relationships so important to the advancement of their families – not to be confused with volunteer organizations known in western industrialized countries.

Responsibility or level explained the remaining balance of salary. Female accountants in Japan are clustered at the lower, non-managerial levels. This makes sense as promotions and advancement are primarily based on seniority. In addition, as discussed earlier, even if given a choice, Japanese women are not likely to choose the managerial track.

Education was not significant in explaining salary. Obtaining graduate degrees at this point is not common in Japan and does not appear to be rewarded in terms of higher salaries. This is interesting in light of Japan’s reputation for valuing education more greatly than other industrialized countries. Two explanations for this result follow. First, the Japanese have placed great value on entering prestigious universities at the undergraduate level. While the percentage of students entering graduate programs is

increasing, graduate degrees do not currently hold the same status as that found for undergraduate degrees. Second, the CPA profession in Japan differs from that found in the U.S. in an important respect, the status of CPAs. The Japanese CPA exam is quite difficult and only a limited number of candidates pass it each year. For example, in 1999, 786 of 10,265 candidates passed the exam for a pass rate of 7.7%. In comparison, the 1999 pass rate on the U.S. CPA exam (for first-time undergraduate exam takers) was approximately double at 13.7% (National Association of State Boards of Accountancy, 2002). Because of this exclusivity, Japanese CPA candidates do not feel a need for graduate education. In addition, graduate programs in Japan are structured toward preparing students for doctoral programs rather than providing additional skills and knowledge for public practice.

Despite the lower salaries for women, no difference in pay satisfaction appeared between men and women accountants. As predicted, Japanese women have not developed the level of equality consciousness exhibited by professional women in other countries. Furthermore, they freely make the career choices that result in lower salaries but seem to feel “compensated” by fulfilling the socially and culturally expected role in the domestic sphere. The lower salaries in the economic sphere are justified in their eyes and they accept them (Ogasawara, 1998).

Internationally, especially among western industrialized countries, public accounting has drawn an increasing percentage of women into its ranks. In the United States, for example, in 2001, 59% of the accounting majors were women as were 56% of the new hires in public accounting (AICPA, 2002). As a result, Big Four international public accounting firms have made strong overtures to attract and retain women in the profession. These overtures combined with current publicity in Japan highlighting the benefits

deriving from being a CPA may attract more women into public accounting firms in Japan and may in combination with the legislative efforts in Japan result in a more egalitarian environment than exists in most Japanese businesses today.

The results of this study need to be interpreted with some caveats in mind. Most importantly, in explaining the relationship between gender and pay, it would be desirable to study salary growth for female and male accountants. Second, this study focused on salary only. In studying pay satisfaction, more appropriately, all aspects of a compensation package as well as of a firm's pay structure (e.g., pay for performance, employee benefits) should be included. Finally, together the factors explain only about 87% of the variation in salary. Although previous research has identified job performance and mentoring experiences as factors related to accountants' salary, these were not included in this study. Future research needs to include these factors and expand the set of labor market factors.

Finally, the results of this study are somewhat troubling from the western perspectives of two of the authors – professional women, highly educated accountants, choose to give up their careers because of social expectations to fulfill the traditional role of housewife and mother. Why then seek an education as a Japanese woman? Hendry (1993) and Saso (1990) explain “because an educated woman will be more successful in managing her family.” But, we ask, what is the economic benefit? The benefit is in the collective success of the Japanese society. According to Hofstede (1980, 2001) Japan is a collectivistic, long-term oriented, masculine society with a high level of power distance and uncertainty avoidance. Although recent cultural research has shown that these attributes are changing for Japan, they are consistent with the current employment and management systems and the professional

choices women make in Japan. Future research may focus on understanding the specifics of the relationship between the cultural attributes and the EEO situation of women in Japan.

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TABLE 1 – SAMPLE			
	Total	Men	Women
Age			
20 to 29	79	67	12
30 to 39	114	91	23
40 and over	38	37	1
Total	231	195	36
Education			
Bachelor's degree	220	184	36
Master's degree	14	13	1
Total	234	197	37
City			
Tokyo	97	79	18
Nagoya	82	73	9
Osaka	53	44	9
Total	232	196	36
Responsibility (Level)			
Staff	81	65	16
Senior	24	17	7
Supervisor	21	16	5
Subtotal - Nonmanagerial	126	98	28
Manager	55	48	7
Sr. Manager	38	36	2
Partner	10	10	
Subtotal - Managerial	103	94	9
Total	229	192	37
Note: Totals differ as complete information was not always provided.			

TABLE 2: VARIABLE NAMES		
Variable	Variable Name	Measure
Salary	SALARY	Annual salary in ten thousands of yen
Log of salary	LOG SALARY	Log 10 of annual salary in ten thousands of yen
Gender	GENDER	1=Male; 0=Female
Satisfaction with pay	PAY SATISFACTION	Job Descriptive Index (9 items)
Level	RESPONSIBILITY	1=Staff; 2=Senior; 3=Supervisor; 4=Manager; 5=Senior Manager; 6=Partner
Number of years employed in public accounting	EXPERIENCE	nn
Education	EDUCATION	1=Bachelor's degree; 2=Master's degree
City	CITY	1=Tokyo; 2=Nagoya; 3=Osaka

TABLE 3 – DESCRIPTIVE STATISTICS AND T-TESTS								
	Men			Women			T-Test	
	N	Mean	Std. Dev.	N	Mean	Std. Dev.	t-value	Sig. (2-tailed)
SALARY	181	8595.6	4359.8	34	6829.4	1849.4	-3.895	.000
PAY SATISFACTION	195	16.42	5.08	34	16.65	5.80	.235	.815
RESPONSIBILITY								
Staff	197	.33	.47	37	.43	.50	1.201	.231
Senior	197	.09	.28	37	.19	.40	1.507	.139
Supervisor	197	.08	.27	37	.14	.35	.895	.375
Manager	197	.24	.43	37	.19	.40	-.715	.476
Sr. Manager	197	.18	.39	37	.05	.23	-2.755	.007
EXPERIENCE	195	8.46	7.75	37	5.37	3.67	-3.765	.000
EDUCATION								
Bachelor's degree	197	.934	.25	37	.973	.16	.915	.361
Note: Totals differ as complete information was not always provided.								

4: PEARSON CORRELATIONS

Variable	1	2a	2b	2c	2d	2e	2f	3	4a	4b	4c
1. SALARY											
<i>Labor Market Factors</i>											
2. RESPONSIBILITY											
2a. Staff	-.567**										
2b. Senior	-.086	-.245**									
2c. Supervisor	-.053	-.227**	-.106								
2d. Manager	.074	-.406**	-.189**	-.175**							
2e. Senior Manager	.328**	-.319**	-.148*	-.138*	-.246**						
2f. Partner	.686**	-.153*	.071	-.066	-.118	-.093					
3. EXPERIENCE	.890**	-.589**	-.139*	-.075	.103	.429**	.510**				
<i>Control and Other Factors</i>											
4. CITY											
5a. Tokyo	-.080	.013	.086	-.053	-.027	-.033	-.050	-.114			
5b. Nagoya	-.047	.073	.016	-.044	.069	-.123	-.023	.005	-.622**		
5c. Osaka	.145*	-.097	-.119	.111	-.047	.179**	.084	.127	-.464**	-.405**	
5. GENDER	.157*	-.079	-.124	-.069	.047	.127	.092	.154*	-.071	.093	-.022

* = Significant at $p < .05$; ** = Significant at $p < .01$

TABLE 5: RESULTS OF REGRESSION ANALYSIS FOR LOG SALARY			
Model Factors	Std. Beta Coefficient	t-value	p-value
<i>Labor Market Factors</i>			
EXPERIENCE	.547	12.973	.000
RESPONSIBILITY			
Senior	.184	6.883	.000
Supervisor	.180	6.671	.000
Manager	.333	10.692	.000
Senior Manager	.338	8.813	.000
Partner	.346	9.070	.000
EDUCATION			
Bachelor's degree	-.001	-.050	.961
<i>Control and Other Factors</i>			
CITY			
Tokyo	.016	.505	.614
Nagoya	-.007	-.207	.836
GENDER	.038	1.510	.133
R-Squared: .878		Model F-Value: 146.35	
Adjusted R-Squared: .872		Significance: .000	