

INTO THE HR JARGON JUNGLE



GENDER PAY GAP

Creating a shared understanding

DEFINITION

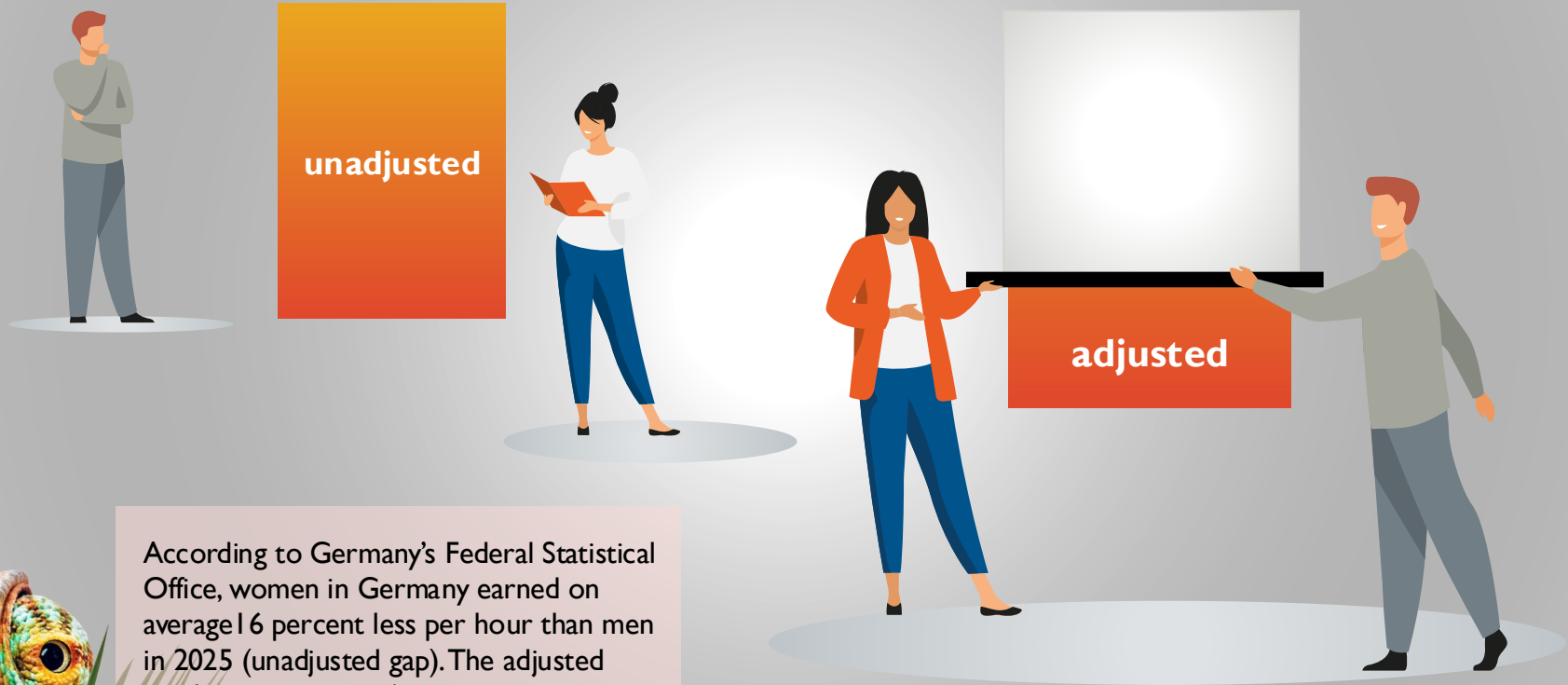
The **gender pay gap** refers to the difference between the average earnings of women and men.

Under the EU Pay Transparency Directive (2023/970), the focus is especially on the gap within the same categories of employees performing the same or equivalent work.

See also [Equal Pay](#) and DE&I.

The gender pay gap is distinguished between the **unadjusted** and **adjusted** gap.

Pay differences can result from **objective, gender-neutral** criteria.



According to Germany's Federal Statistical Office, women in Germany earned on average 16 percent less per hour than men in 2025 (unadjusted gap). The adjusted gender pay gap was 6 percent.

Where companies can start

Explainability

The EU Commission considers the following four criteria to be objective and transparent:

1. Skills (e.g. education, qualifications, experience)
2. Working conditions (e.g. location, part-time work, etc.)
3. Work effort (e.g. workload, commitment, contribution to value creation)
4. Responsibility (e.g. job level, leadership responsibility)

The EU Pay Transparency Directive considers an adjusted gender pay gap of 5 percent to be acceptable.

Tip: A strong [job architecture](#) and a suitable grading system as a foundation make pay evaluation significantly easier.

See also the EU Commission's [guidance](#) on gender-neutral job evaluation.

- ✓ Skills
- ✓ Working conditions
- ✓ Work effort
- ✓ Responsibility

Adjusted Gender
Pay Gap



TIME TO TAKE ACTION

- ✓ Employees are increasingly aware of their rights regarding pay transparency and equal pay.
- ✓ The burden of proof for explaining pay differences lies with the employer.
- ✓ Companies that communicate openly and clearly with their workforce build trust and engagement.

We are happy to support you in breaking down your data and communicating it effectively to different audiences on the path toward fair and/or equal pay.

Get in touch with us!

THE WAY OUT OF THE JUNGLE



We lead people projects to success through communication



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