



Employment Discrimination in Chinese Financial Industry

Yuxuan Qiao¹

¹Business and Economics, The University of Melbourne, Melbourne, VIC 3010, Australia

16711104@bjtu.edu.cn

Abstract. Employment discrimination is around discussed as the development of the economy and promotion of the working welfare. This paper talks about employment discrimination problems by focusing on the financial industry. Two types of discrimination problems regarding gender and age are discussed in this paper. With the data from Zhilian and National Bureau of Statistics, this paper analyzes the current gender and age discrimination situation in the financial industry. By separating the male and female labor into same age groups, this paper gives that age discrimination is worsened with the effect of gender discrimination. To explain the reason for specific discrimination phenomenon in financial field, this paper combines the industrial characteristic and job requirement with the general factor of discrimination in workplace. And gender and age discrimination problems are possibly caused by physiological discrepancy cognition, inheritance of traditional culture's dregs, and imperfections of relevant regulations. With the revelation of employment discrimination in the financial field, this paper also offers several suggestions to both employers and employees to help to alleviate the current and potential discrimination trend in the financial area.

Keywords: Employment, Discrimination, Financial Industry.

1 Introduction

1.1 Background and Purpose

Employment plays an important impact on the national economy. Ensuring an equal and healthy employment environment is closely related to nations' livelihood. Among the employment field, financial area is always the top 10 hot employment industries of graduates [1]. There is a concomitant topic with the appearance of employment that is discrimination. Discrimination in the employment market is around discussed these years, especially with the synchronous increasing attention to the gender discrimination and aging problem [2]. It is imperious to figure out the deep reason underneath the increasingly serious discrimination problems in the financial field. International Labor Organization announced that although significant progress has been made in female employment over the past two decades, women still face inequalities in employment

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opportunities. In most parts of the world, fewer women enter the workforce and unemployment rates are higher. Gender inequal discrepancy in finance has become a global hot topic for years, but this phenomenon still exists or becomes even worse [3]. On the other hand, age discrimination is one of the most neglected discrimination problems in the financial world. However, the truth is that more strict position age requirement appears in recruitment announcement which means a severe midlife crisis has been happening in this attractive employment field for years. It is often to see a rigorous age threshold in financial employment messages such as “under 35 or 40 only”. An increasing number of financial employees was limited by that kind of requirement to a suitable job position of finance even if all the other standard requests such as “high quality graduation”, “fulfilling working experience”, and “remarkable leadership” are fulfilled [4, 5]. The initial age threshold is set from the national civil servant recruitment exam, and this is out of consideration of the appropriate position transition within the national organization and the servant life period. But according to the survey, the existing job age requirements are all over the map and quite casual. Some workplaces set 40 as the limit, other companies accept under 35 only, but only few places can be extended to 50. Getting rid of or alleviating the employment discrimination is crucial not only to promote the high-quality development of economy but also to maintain Chinese nations’ wellbeing. Hence, to talk about the employment discrimination problems from two perspectives that are aging division and gender discrepancy is necessary to inspire the economic high-quality development for China.

1.2 Literature Review

The Chinese employment discrimination related research mainly concentrates on the population economic and socioeconomic fields. Employment discrimination is widespread in economic entities of various countries, and its negative impact on high-quality economic development has attracted much attention. Existing research pays more attention to the impact of employment discrimination on labor’s income distribution. In contrast, some researchers discussed the negative impact of employment discrimination on the high-quality economic development from the perspective of the effectiveness of economic policy. Their research implied that employment discrimination has a significant negative impact on the macroeconomic effect of monetary policy. Reducing employment discrimination does not only help employment and income equity, but also conducive to improving the effectiveness of economic policy. They offered a more profound explanation of the detriment led by labor discrimination [6]. There is recent research from Zhi Chen that sets the employment of graduates as the focus and digs out the implicitly worried employment discrimination from three perspectives which are gender, age, and fresh graduation. This research uses specific data to introduce the current discrimination situation of Sichuan province. This paper offers an instructive research mind that focuses employment discrimination on sortable categories such as gender and age [2].

Gender discrimination appears all over the world and around industries. In Chinese labor market, gender discrimination has a serious impact on women's labor participa-

tion. Current research has analyzed those female labors in Chinese workplace face discrimination problem in the process of recruitment, job routine, and salary treatment. And possible explained reasons are physiological discrepancy, inheritance of the traditional culture, and imperfections of related regulation restriction [7]. But the recent research of it was completed about ten years ago, it still needs to be continuously concerned.

There is no current research that talks about how age discrimination problems in the financial field make an impact on labor or bring some profound losses. Li analyzes the possibility and limit of the application of the principle of equality in age discrimination problem. This research proposes the age differentiation based on the ability interpretation that does not regard all age limit of the employment market as discrimination. The reason is that some different occupations do require people with different abilities, and these abilities are bound with age. Thus, to have an in-depth discussion about age discrimination, it needs more detailed division of the fields which relate to the age-ability evaluation [8]. Zhang quantified the extent to age discrimination in Chinese Hunan province on the basis of 18440 job posting and indicated that discrimination can easily happen in some service industries such as financial service area. Age discrimination has been a long-standing problem, but it is not effectively alleviated. Age discrimination will lead to workers who are qualified to work in enterprises being unable to find jobs or find less-than-ideal jobs just because of their age, even PhD graduates set age discrimination as one of the important employment pressures [9].

Current literature has not combined discussed age discrimination problem with financial workplace, also the gender discrimination in financial industry needs to be updated fully discussed. Thus, this paper could complete the discrimination topic in the research field, especially focusing on financial field helps related researchers to view the discrimination problem in a new perspective.

2 Discrimination in Financial Labor Market

2.1 Gender Discrimination

Gender discrimination in labor market refers to the subjective tendency to male labor that is embodied in the process of employment, salary distribution, and promotion choice in the workplace. This negatively underlying problem in Chinese labor market persistently prejudices the employment equality and stability. According to 2022 Chinese women's workplace report from Zhilian Zhaopin, 61.2% women experienced the marital and childbearing questions when in a job interview. It is far more than men's 32.3%. And 22.5% female labors express they have suffered gender discrimination. It is also higher than men's 14.8%. For remuneration, women labor's salary level is 12% lower than men [10]. Ans it is quite similar to 2021 and 2020 shown in Figure 1.



Fig. 1. Last 3-year salary level.

The report shows that women with a bachelor’s degree or above account for 55.9% of the workforce, much higher than 33.6% of men. However, the proportion of women in managerial positions was 34.2%, compared with 40.7% for men. The stereotype that men are good at leadership and women are more likely to be cooperative may have some influence on women’s promotion in workplace. Even women labor themselves have the perception of promotion expectation. Those women who have confidence or anticipate that they would have a promotion chance are lower than men, whereas women feel no chance for promotion cover 43.6% higher than men’s 33.6% (see Figure 2). All these data results indicate that in the whole process of workplace, from employment, remuneration, to promotion perception, there certainly exists gender discrimination problems for women in Chinese workplace. And this negatively underlying detriment even pushes the women accept the unfair fact that men is greater than women in workplace.

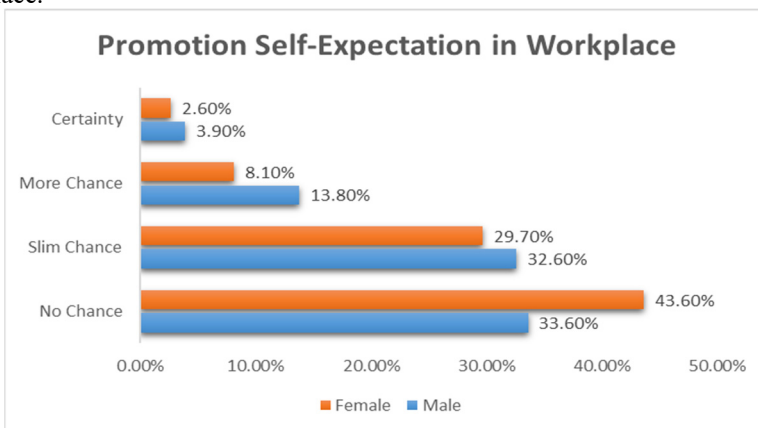


Fig. 2. Promotion self-expectation in workplace.

In the financial industry, there are full of risky operation and investment management to be undertaken. And this implicitly makes men labor more attractive to the financial workplace. Because of their different physiological structures and perceptual instincts, men and women have different judgement tendencies and development expectations. Men are good at taking risks while the women are cautious to challenge risks. Financial industry is full of risks and opportunities, even in some situations more risks mean more benefit. From this perspective, male labors with risk-taker nature seem to be more adaptable and attractive to the financial industry. On the contrary, hate taking the risks gets less opportunities, then less profits [11]. Therefore, the financial industry has always been regarded as a male-dominated industry. The disparity in the cognition of men and women makes women in a disadvantaged position, from recruitment to employment will be unequal treatment.

2.2 Age Discrimination

In Chinese financial workplace, mid-age crisis has been a popular problem during the high-speed development of economy. Age discrimination of financial industry in this paper refers to the unfair age bias that employers prefer relatively younger employees to join their financial teams. The selection or cooperation tendency of employers unfairly reaches the younger side because they judge the younger one could bring them more active job performance and potential to the future. According to the report on employment of middle-aged and elderly job seekers, 80.1% of middle-aged and elderly employees put the age stipulation as the greatest difficulty in job seeking. The survey shows that 20.6% of 51 to 55-year-old employees experienced unreasonable dismissal just because of their elderly age. And this is significantly higher than 46 to 50 and 41 to 45 age groups which are 11.5% and 7.6% respectively. This shows that mid-aged and elderly employees are facing extraordinary employment and work pressure [12].

Actually, some age stipulation rules like under 35 or 40 only have been a rigorous employment requirement when elderly job seekers aim to submit the application for a job position. Collecting the recruitment advertisement for similar post of top 50 Chinese companies that are in financial industry. Then the age requirement for those companies shown in Table 1. There are 8 finance relative companies in top 50, only one of them does not give a specific age stipulation which is China Life Insurance Company. All the other financial top companies have the clear requirement that the candidate customer or middle managers need to be under 30,35, or 38.

Table 1. Age Requirement of Top 50 Chinese Company in Financial Industry.

Corporation Rank	Name	Recruitment Post	Age Requirement	URL Reference
5	Industrial and Commercial Bank of China Limited (ICBC)	Customer Manager	Under 30	https://job.icbc.com.cn/pc/index.html#/main/social/announDetail/00000000000007125007
6	China Construction Bank	Customer Service Representative	Under 35	http://www1.ccb.com.cn/job/job_detail.html?planId=2023022510289580&planPost=20

7	Ping'an Insurance (Group) Company of China, LTD.	Customer Manager	Under 35	230216160553948541&p lan- Type=SH&orgId=00c0e0 9739fb425d0139ff27cb5 0028b&secondOrgId= https://tal- ent.pingan.com/re- cruit/position.html?posi- ti- onId=4A8CF217D8A14 CBF8295F43AA1A626F https://career.ab- china.com/build/in- dex.html#/Recruitment- NoticeDe- tails/10384532/100
8	Agricultural Bank of China Limited	Engineer Manager	Under 35	
12	China Life Insurance Company	Customer Manager	NO	
13	Bank of China	Customer Manager	Under 35	https://www.boc.cn/about boc/bi4/202301/t2023011 3_22413823.html
37	The People's Insurance Company (Group) Of China Limited	Financial Manager	Under 35	https://picc.zhiye.com/yi- jidu?k= https://job.bankcomm.co m/getPosition- ById.do?posi- tionId=33431
50	Bank of Communications	Customer Manager	Under 38	

For middle-aged employees, this age requirement limits their job variant possibility, even pushes them to the unemployment pressure. However, the truth is that middle-aged labors are the vital force in the employment market, they possess more experiences to deal with the problems faced in the management position and more mature mind to coordinate each staff in their job relation web [13]. Especially in the financial industry, middle-senior managers are required to have a good command of cooperation and communication skills to support the highly refined professional knowledge. Under normal conditions, middle-aged and elderly labors are more competent in the management position. But the existence of the elder age discrimination makes the elders in the disadvantaged situation even they receive a new position offer.

2.3 Different Genders in Age Groups

According to China Population Census Yearbook 2020, the age structure of the employment in financial industry is shown in Figure 3. The middle age group that from 35 to 50 has covered over 50% of labors in the financial industry. There is no doubt that the middle-aged and elderly labors are definitely the backbone for the industry. But it is ironic that the backbone suffers discrimination from the industry.

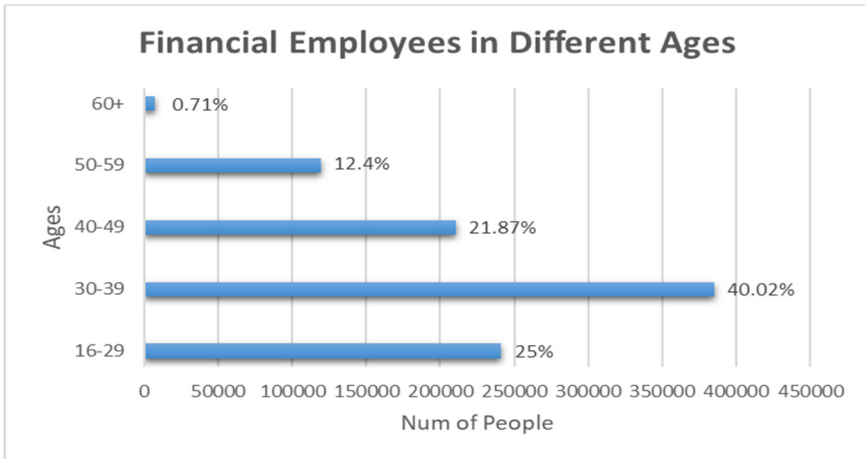


Fig. 3. Financial employees in different ages.

Age discrimination has turned into the age crisis in financial workplace, and the problem is even worse with the consideration of gender factor. The employment age structure of male and female respectively are shown in Figure 4 and Figure 5. There is no obvious difference in the younger group that is under 35. The number of female elderly labors in the industry is decreasing more sharply than male. Especially in the group of 50 to 59. It implies that the gender discrimination still exists in different age groups. And the age discrimination problems are worse with the effect of the gender discrimination.

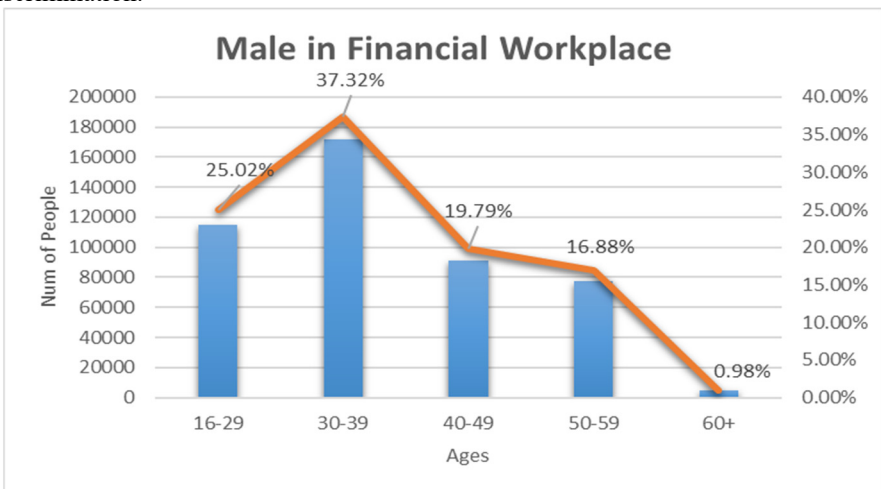


Fig. 4. Male in financial workplace.

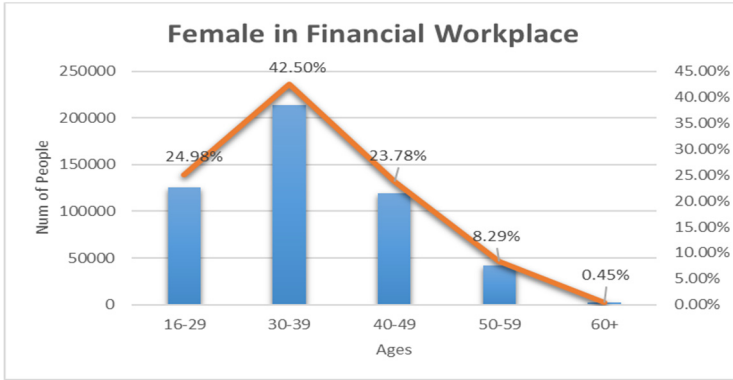


Fig. 5. Female in financial workplace.

3 Analysis of Causes of Discrimination in Financial Labor Market

This paper focuses on the gender and age type of discrimination in the Chinese financial workplace. Thus, the underlying root causes of the discrimination problems are from the features of the gender, age, and the industry.

3.1 Physiological Feature

Although the sexual equality has been advocated in many fields for a long time, the different working performances and perceptions from men and women lead to the treatment discrepancy in some fields. Male and female have different physiological structures that guide the two to develop their different behavior and mind patterns. That seems like a common sense that men are more adventurous, but women prefer to be cautious. And in the financial industry, equity, fund, and bond, all these financial topics are full of risks and opportunities. Every daily strategy and decision in the financial area should be decisive, rational, and courageous. From this point, men employees instinctively adapt to the financial industry, especially for management position. That could explain why the female labors feel discrimination in the financial field and hard to promote even they do have relatively same capability and experience to male labors. But for a cooperative and innovative financial team, it is unhealthy to only listen to one kind of voice. There would be devastating problems for a team or company if only one makes the decision without other opinions. In this way, female discrimination should be inhibited. From the marriage and childbirth perspective, the work efficiency and competent capability of women would be in-deed negatively affected. Unique physiological structure only allows women to give birth to babies, but it takes about ten months. And during this time, it is impossible to ask women to perform as usual. Thus, although women would be more negatively affected by marriage and childbirth than men, they deserve to be treated more patiently.

The younger labor gets an up-to-date education that could help them have a more effective performance in the workplace. Also, they are full of energy and possess great potential for future promotion. However, elderly employees are considered as lacking physical and mindful energy because people lose energy as the increase of age. Even some researchers believe an abundant younger labor force plays a crucial impact on the fate of companies. That could be a reason why elderly labor feels discrimination and more pressure in financial workplace. However, in the financial industry, a sustained and guaranteed team or company is based on plentiful experiences dealing with risks or troubles. In this way, those elderly employees should not be discriminated against because they have lots of experience that helps the company become more resilient.

3.2 Chinese Traditional Culture Feature

China has a civilization of long history, and it developed a culture that men plowed the fields and women wove cloths for thousands of years. Ancient cultural inheritance imperceptibly affects current Chinese behavior tendency. There still some of people advocating the idea that women are instinctively inferior to men. That could be a reason for gender discrimination in China. But the female accepts relatively the same level of educational chance as male after liberation. And as the development of the modern economy, gender equality appears in various aspects. Thus, women are quite competitive to men in current workplace. The bias to women that is only based on traditional culture is unreasonable and immoral.

3.3 Imperfections of the regulations

Although the gender and age discrimination has existed for year, even the unequal phenomenon has been well recognized by everyone in workplace, there still not have a relatively perfect regulation system to protect the weak party of the employment discrimination. Discrimination sometimes refers to a kind of personal preference that hurts someone else without paying any cost. The harm led by discrimination is even amplified when the discriminative mind affects one's behavior [14]. At this time, this kind of behavior would become even more violent if there is no relevant regulation defining those kinds of behaviors or concepts as discrimination. Because of the imperfections of regulations, unreasonable discrimination to female and elderly labor in the financial industry is hard to be alleviated.

4 Conclusion

This paper offers several evidences that prove there exist nonnegligible discrimination problems in Chinese financial field. And both age and gender discrimination would have a negative impact on the whole industry. Unfair and unstable workplace would even bring devastating loss to an industry such as loss of suitable talent, internal conflict, and damage to industry reputation. In China, male labor in the financial industry has more chance to be employed because of the inherent cognition of adventurous male

and family-oriented female. And the elderly labor would be more neglected as a result of the stereotype that the ability of elderly labor has declined to some extent. And the situation is even worse when considering the elderly female labor. The reasons for those discrimination problems possibly are differences of physiological feature, inheritance of dregs of traditional culture, and the imperfections of relevant regulations.

Discrimination needs to be realized and seriously dealt with. For employees, they must advocate for their rights of equal employment. Only all the members in the financial industry reject discrimination could they maintain a fair and healthy employment environment. And this has the absolutely positive meaning to not only the financial industry, but also the social environment. For employers, they must revise their opinion and figure out whether they have the tendency of discrimination in employment. Make sure that all the treatments are based on the actual job performance. Also, the establishment of the relatively perfect inner regulation is necessary to support the equal employment environment.

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