Gendered communication and negotiation skills

Kate Eddens, PhD, MPH
Assistant Professor, Department of Health Behavior
University of Kentucky College of Public Health
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Giuseppe (Joe) Labianca, Ph.D.
Gatton Chair in Management
Gatton College of Business and Economics
Gender Gap in Wages

• In 1955, the median annual wages of women were 60% of men

• By 2009, they were 77% vs. white men
  – 63% for Black women
  – 62% for Native Hawaiians / Pacific Islanders
  – 59% for American Indian / Alaskan Native
  – 54% for Hispanic women

• Progress??
## Earnings Ratio, by Race/Ethnicity, 2014

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Women’s earnings as a percentage of men’s earnings within race/ethnicity</th>
<th>Women’s earnings as a percentage of white men’s earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic or Latina</td>
<td>89%</td>
<td>54%</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>85%</td>
<td>59%</td>
</tr>
<tr>
<td>Native Hawaiian and Other Pacific Islander</td>
<td>88%</td>
<td>62%</td>
</tr>
<tr>
<td>African American</td>
<td>90%</td>
<td>63%</td>
</tr>
<tr>
<td>White (non-Hispanic)</td>
<td>78%</td>
<td>78%</td>
</tr>
<tr>
<td>Asian American</td>
<td>79%</td>
<td>90%</td>
</tr>
</tbody>
</table>

*Note: Based on median annual earnings of full-time, year-round workers, ages 16 and older*
Why the wage differential?

- Women tend to cluster more in lower-paying occupations (e.g., teaching, nursing) as compared to men.
- Even within higher-paying occupations (e.g., medicine), women tend to cluster in lower paying sub-areas (e.g., general practitioners vs. surgeons).
- Part of the reason is a subtle form of discrimination brought about by higher barriers to entry for higher-paying occupations.
Even in high-paying STEM jobs, women are being shortchanged.

Women in engineering are paid only 82% of what their male counterparts are paid.

Women in computing are paid only 87% of what their male counterparts are paid.

Source: 2013 American Community Survey, Table B24022

This is why we need equal pay. Take action at fightforfairpay.org.
Is that legal?

• A great deal of legislation has been passed to eliminate job and wage discrimination against women

• http://www.aauw.org/fairpay/
Equal Pay Act of 1963

- Men and women in the same organization doing *equal work* must be paid equally
- Equal = same skill, effort, responsibility, working conditions
- If pay differences are the result of differences in seniority, merit, quantity or quality of production, then differences are legally allowable
Why the wage differential?

Societal gender roles create discrepancies along the dimensions that determine worth to market organizations

• Skill
  – Men tend to have more human capital, though changing quickly

• Effort
  – Men tend to work longer hours (in their market job)

• Responsibility
  – Greater seniority and uninterrupted careers lead to greater experience and promotion

• Working conditions
  – More willing to take on dangerous tasks (95% of work-related injuries are to men), move for work-related reasons, commute farther, etc.
Why the wage differential?

Most of the gender wage gap is created because of the pressures of having a family, and the choices that families make, followed by the job choices that women make.
And yet...

• …even when we compare women and men in apples to apples comparisons, women’s wages are lower
• This includes high prestige, high pay occupations
The faculty gender wage gap here at UKY

• Dependent variable: Salary
• Controls:
  – number of years at UK
  – department
  – contract length (9 mo., 12 mo, OT)
  – tenure status (tenure eligible/not, tenured)
  – appointment type (clinical, etc.)
  – rank (asst prof, assoc prof, etc.)
  – degree (bachelors, masters, doctorate, etc.)
  – time since last promotion
• Race is not a significant predictor of salary, but gender is
• Average faculty salary at UKY (2009): $103,000
• Average female faculty salary here: $88,000
The negotiating gap

• Example: Women and men from the same MBA program with same grades and majors (same skill level) going into the same entry-level position, negotiate for different amounts

• Women receive 102.7% of their initial offer, men 104.5%. Why?

• Women don’t negotiate as hard as men (on average)

• Those small differences become greatly magnified over a lifetime of work
The negotiating gap

- Men initiate negotiations more often
- Women don’t like negotiating: “going to the dentist” vs. “winning a ballgame.”
- Women are pessimistic; ask for 30% less in wage increases than men
- 20% of adult women never negotiate
Good negotiators?

- Rationality
- Assertiveness
- Self-assurance

“Masculine traits”

Bad negotiators?

- Emotionality
- Accommodation

“Feminine traits”
Man up?

- What happens when women employ traditionally male tactics?
Man up?

- What happens when women employ traditionally male tactics?

*We still lose.*
Man up?

- What happens when women employ traditionally male tactics?

*We still lose.*

- demanding
- unseemly
- unfeminine
- shrewish
- macho
Man up?

• What happens when women employ traditionally male tactics?

*We still lose.*

unfeminine  shrewish
unseemly  macho
demanding
Man up?

- What happens when women employ traditionally male tactics?

We still lose.

BE MORE FEMININE!!
Man up?

BE MORE FEMININE??
Woman up?

Always smile

Communal

Relentlessly pleasant

No critical stance

BE MORE FEMININE??
Woman up?

Be “appropriately female”?
Woman up?

Be “appropriately female”?
Woman up?

Be “appropriately female”?
up?

ely female’?”
up?
Flirtation?
“When it comes to playing hardball, women are damned if they do and damned if they don’t. Training them to be tough negotiators won’t overcome the cultural rules rigged against them in the workplace. And it’s galling to think that women might need to employ a ‘Mad Men’-era strategy of flirtation to get a fair shake.”
The Negotiating Equation

\[
\text{Negotiating Performance} = \text{Negotiating Ability} \times \text{Negotiating Motivation} +/\text{- External Conditions}
\]
How will you know if the negotiation was successful?

• I want a raise

• Why?
  – “I don’t feel valued as much as other people in my department” vs.
  – “I haven’t had a market adjustment in 10 years and my children are going to college soon…I need the money”

• Unless you know the true reasons for entering into the negotiation, you won’t get good performance – be honest with yourself
The Negotiating Equation

Negotiating Performance = Negotiating Ability \times \text{Negotiating Motivation}^{+/-} \text{External Conditions}
Negotiating Motivation

• Develop alternatives that you are willing to exercise if the negotiation doesn’t go well
  – Men are more willing to switch jobs to obtain their market value than women
Negotiating Motivation

• Don’t devalue wages…
  – While it’s healthy to take a broad view of your interests in a negotiation (e.g., vacation time, good schedule, good work environment)...
  – …don’t assume that you have to trade those interests off for wages and bonuses
  • Present wages form the platform for all future wages, and giving up on them has a huge cumulative effect over your career
  – Try to get it all first
Negotiating Motivation

• But don’t get hung up entirely on wages…
  – Naïve negotiators focus too much (and sometimes exclusively) on wages to the detriment of other issues that can provide more value
Negotiating Motivation

- A quick deal is not necessarily a good deal
- If you are getting tired of negotiating, take a break…
- …don’t just sign
What if the other party says “no?”

- Ask “why?”
- Listen carefully
- Try to understand their underlying interests, not just their position
- Explain your underlying interests
- Seek creative solutions that satisfy their underlying interests while still satisfying yours
The Negotiating Equation

Negotiating Performance = Negotiating Ability \times\text{ Negotiating Motivation}^{\pm} \text{ External Conditions}
Negotiating Ability

• There are many tips for improving your negotiating ability

• First and foremost tip:
  – Believe in the value of what you are selling
    • Emphasize the positive aspects
    • Don’t dwell on the negative aspects
    • You need to sell the other party on that value, and show them the unique aspects of what you are selling
Negotiating Ability

• You can’t negotiate effectively without data
• Don’t fall into the homophily trap when trying to gauge your value
  – ask men!
  – go online!
  – don’t just ask the people with whom you are most comfortable!
Winning tactics

1. What is your best alternative to negotiating this agreement (BATNA)?

2. What is your reservation point?
   • The point above or below which you will exercise that alternative

3. What is your target point?
   • Note: This should NOT be the same as your reservation point. Be OPTIMISTIC.
4. Your goal is to claim as much of the value in the bargaining zone (shaded area)

5. Try to ascertain other party’s reservation price

6. Open aggressively with highest defensible offer
   - Anchors other party
   - Try to influence other party’s reservation price (increase the bargaining zone)
7. Most negotiations end at the midpoint (usually on most typical negotiating issue, such as salary)

- Therefore, when giving concessions on that point, try to get concessions that are more valuable to you on other issues (e.g., bonuses, equipment, travel expenses, research resources)
8. Employ a funnel pattern to your concessions to signal your target point. More likely to lead to an agreement being signed, even if final agreement is more expensive.
External (to you) conditions

• Estimates are that approximately 5% of gender gap is due to discrimination
• If your employer is discriminating, the EEOC is the enforcement agency; a good employment lawyer is a necessity
• If there are institutional impediments to you achieving the same skill level, giving the same effort, taking on the same responsibility, and enduring the same working conditions, work together to reduce those impediments
Salary Negotiation

• Because your future relationship with this person/organization is important, you can’t approach the negotiation with a scorched-earth strategy

• But you still need to ask for what you need
Salary Negotiation

• Read your role
• Think about the least/most you’re willing to pay/receive; think about what you’d like to pay/receive
• Get an understanding of the other issues involved
• Think about how you want to talk about these issues in this negotiation
• Pair up with someone you don’t know
• Negotiate for no longer than 20 minutes
Redux

• While negotiating isn’t even close to being the most important reason for gender wage differentials…

• …gender differences in negotiating, particularly at early career stages can create significant wage disparities over an entire working career
Conclusion

• Develop alternatives – don’t be afraid to exercise those alternatives
• Get data, and seek it from diverse sources
• Don’t be afraid to negotiate – everything is negotiable, even if people tell you it is not
• Don’t give away value needlessly
• Don’t start conceding right off the bat – try to satisfy ALL of your interests first
Thank you!