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The Gender Paradox in Negotiation



PROF MARA OLEKALNS

Why negotiate?



- **The financial incentives**
 - Women continue to earn less than men, with implications for retirement savings
 - 58% of men but only 7% of women negotiate their job offers
 - ✦ **But just asking can improve a job offer by 7.8%**
- **The professional incentives**
 - Remuneration is used as a proxy for competence
 - Not negotiating intangibles can stall professional development and promotion
- **What to negotiate?**
 - What can help me to my job better?
 - What can help my professional development?



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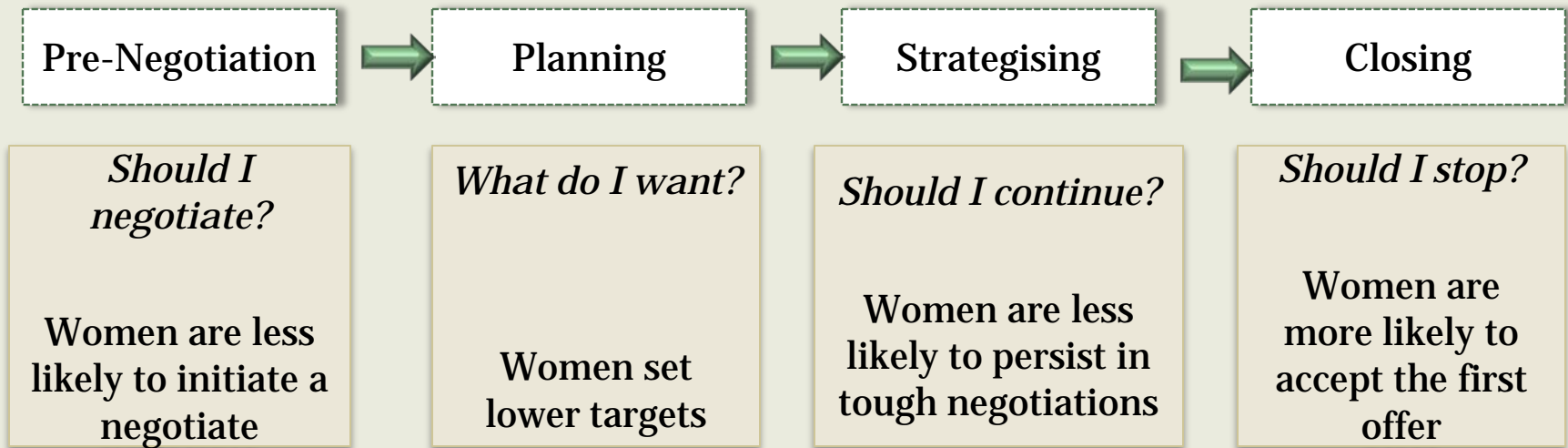
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The Negotiation Process

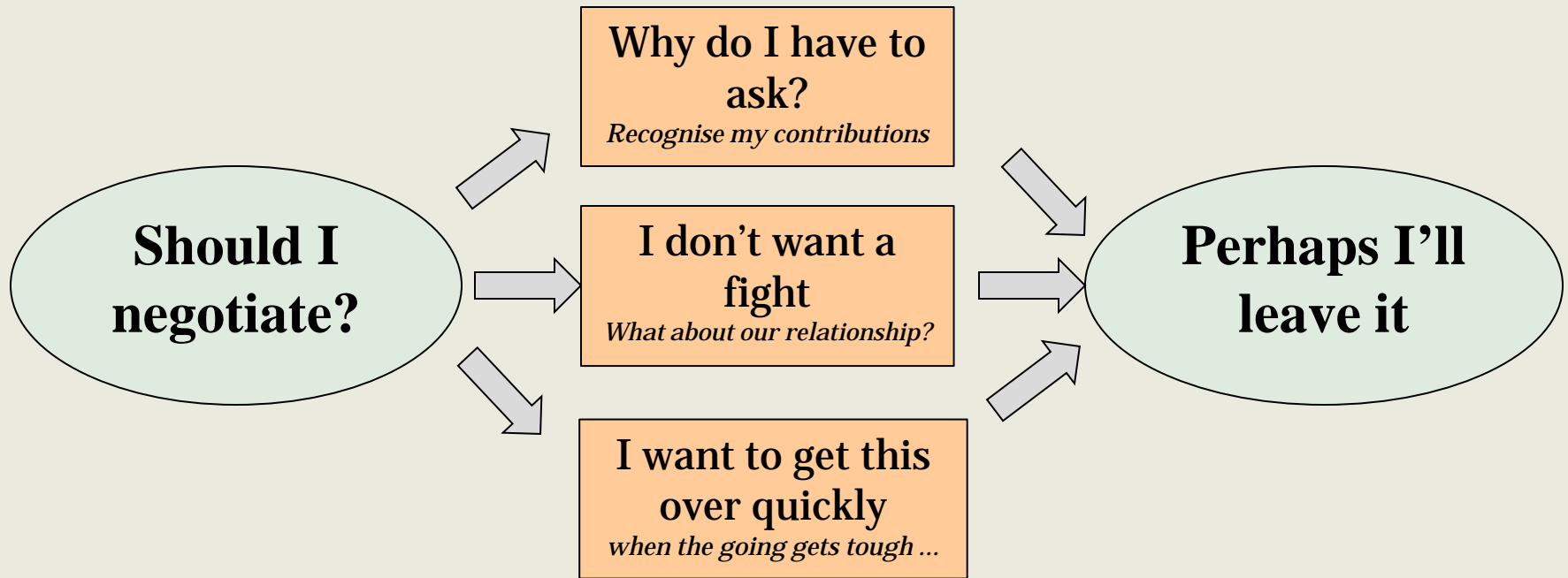


WHERE WOMEN AND MEN DIFFER

Decision Points in Negotiation



Why don't women negotiate?



(Babcock & Laschever, 2003; Gray, 1999; Kolb & Williams, 2003)

Planning

What do I want?



- **Women are more likely to focus on their bottom line**
 - **Negotiators who focus on their targets perform better than negotiators who focus on their bottom line**
- **Women set lower targets**
 - **Higher targets lead to higher outcomes**
- **Become more effective in setting targets**
 - **Be well-informed**
 - **Have good reasons for your request**
 - **Understand what you are willing to trade and what it's worth to you**

Strategising and Closing

Should I take this deal?

- **Women are unwilling to invoke alternatives**
 - **Developing and using good alternatives increases power**
- **Women are more willing to accept the first offers**
 - **They receive less generous offers than men**
- **Become more effective in managing the end game**
 - **Invoke your alternatives when they are good**
 - **Never accept the first offer**
 - **Always evaluate an offer against your needs and interests**



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The Catch-22 for women

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SUGAR 'N' SPICE AND ALL THINGS NICE

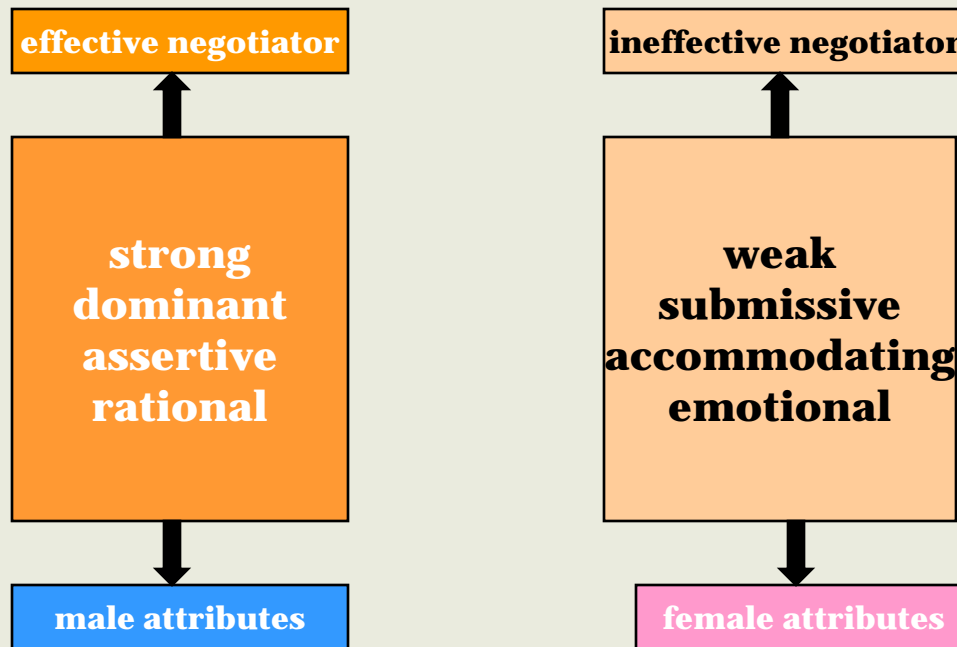
When women negotiate ...



- **Women receive less generous offers than men**
- **Women are “punished” for asking**
- **These effects stem from the different expectations about how men and women ‘should’ behave**
 - ✦ **stereotypes and first impressions**

Gender stereotypes and negotiation

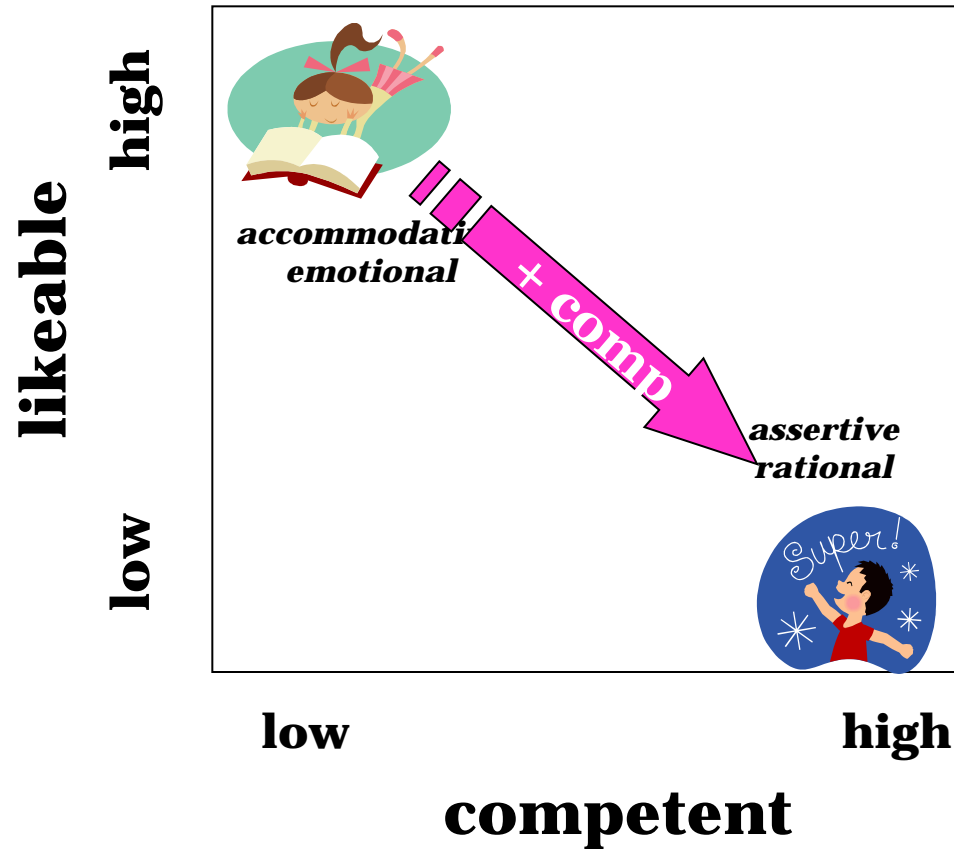
Kray & Thompson



“In a broad sense, women’s economic performance in negotiations hinges on their ability to harness gender stereotypes in a self-serving direction”

Kray & Thompson, 2005

Social stereotypes in negotiation



Backlash in Negotiation

Kulik & Olekalns



- **Trust is an important part of negotiation**
 - increases willingness to cooperate, share information and problem-solve
- **Do women who negotiate erode trust?**
 - If they use a competitive (gender-incongruent) style
 - If they negotiate with women
 - If they compete in an agentic organizational culture
- **Breaking through the barrier**
 - Shift attributions for your behaviour
 - Prime a problem-solving orientation
 - Reframe the negotiation process
 - Establish likeability before competence

Counteract Expectancy Violations

“I’m not being pushy ...”

Individual Actions

- **Anticipatory impression management**
 - *“I’m going to have to approach this differently, because you are being really tough”*
- **Prescriptive attributions**
 - *“I’m only asking for what our professional association says is a fair rate”*

Organizational Actions

- **Establish “zones of negotiability”**
- **Establish conditions required to negotiate employment terms**

“I’m still likeable”

Individual Actions

- **Use influence tactics that convey likeability and neediness**
 - *“Maybe you can help me...”*
- **Use inclusive language**
 - *“I really hope we can find a solution that works for both of us”*
- **Use turns rather than moves**
 - *“I’m a little puzzled...let’s take a step back”*

Organizational Actions

- **Actively prime female gender stereotypes**
- **Regenerate stereotypes to include feminine attributes**



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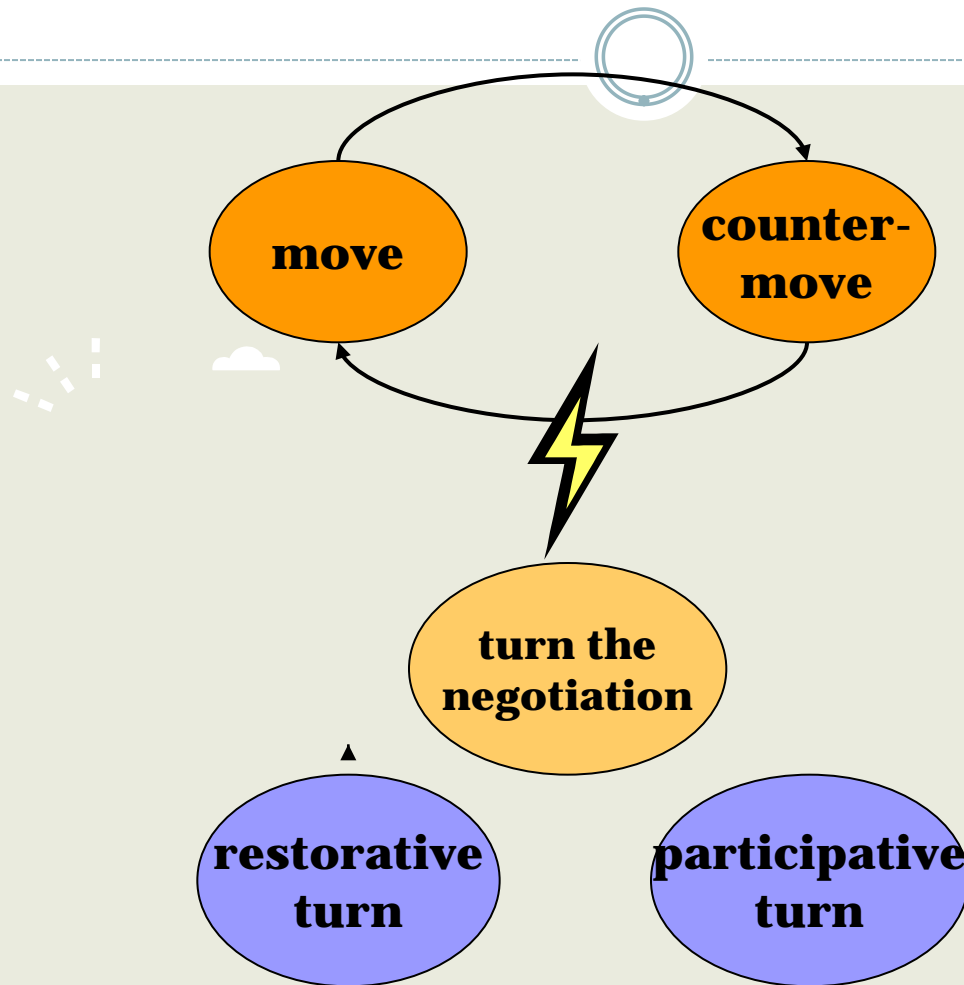
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Managing the other negotiator

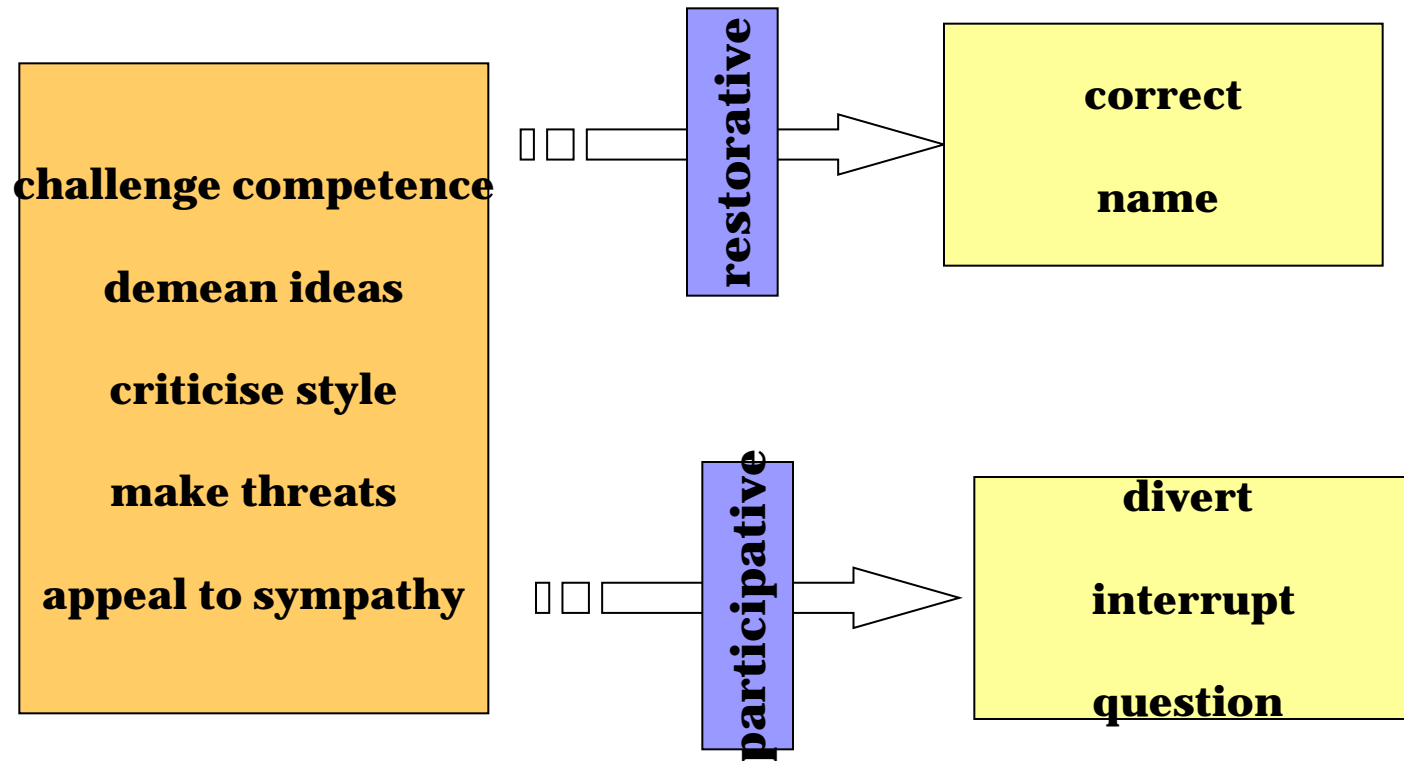


**WOMEN ARE LESS LIKELY TO PERSIST
WHEN THE OTHER NEGOTIATOR GETS
TOUGH**

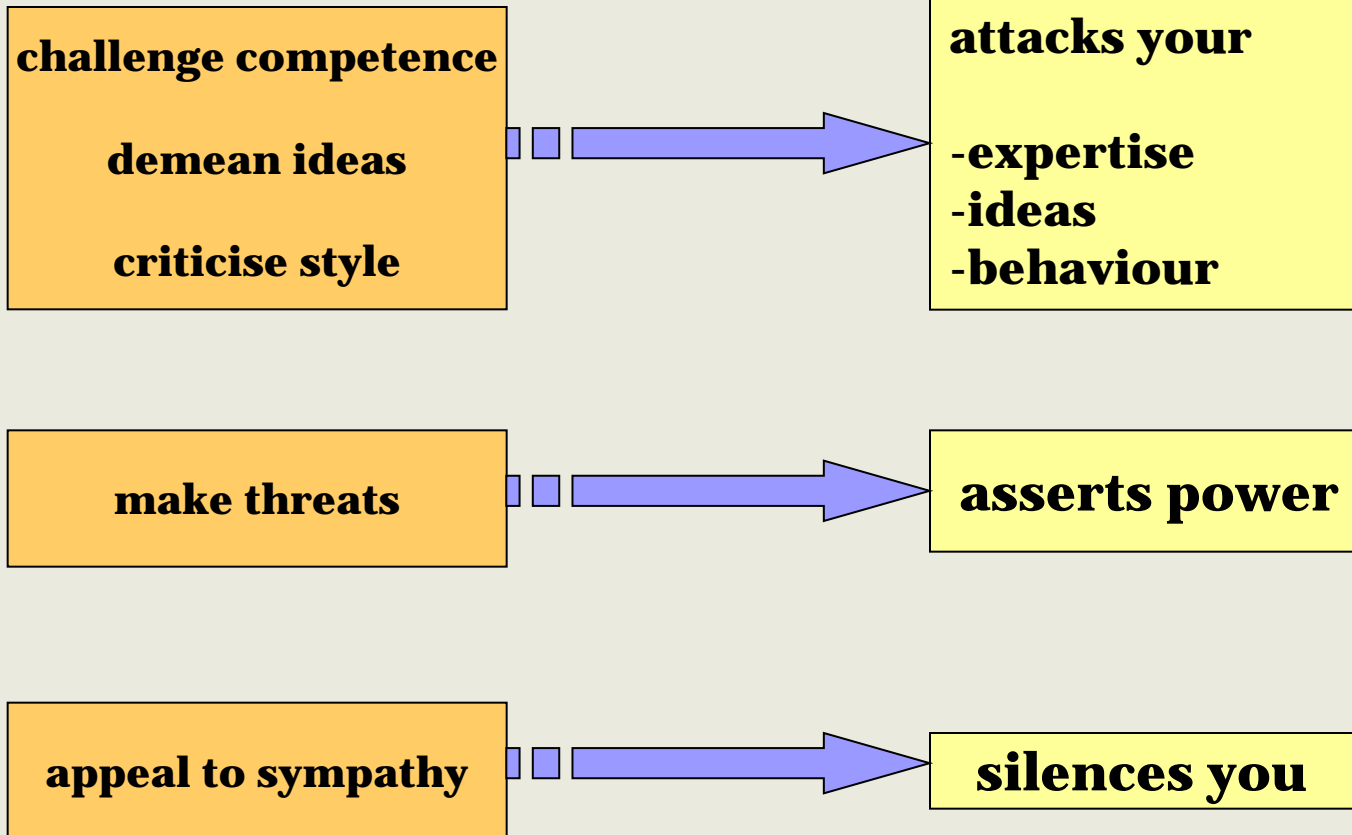
Two negotiation cycles



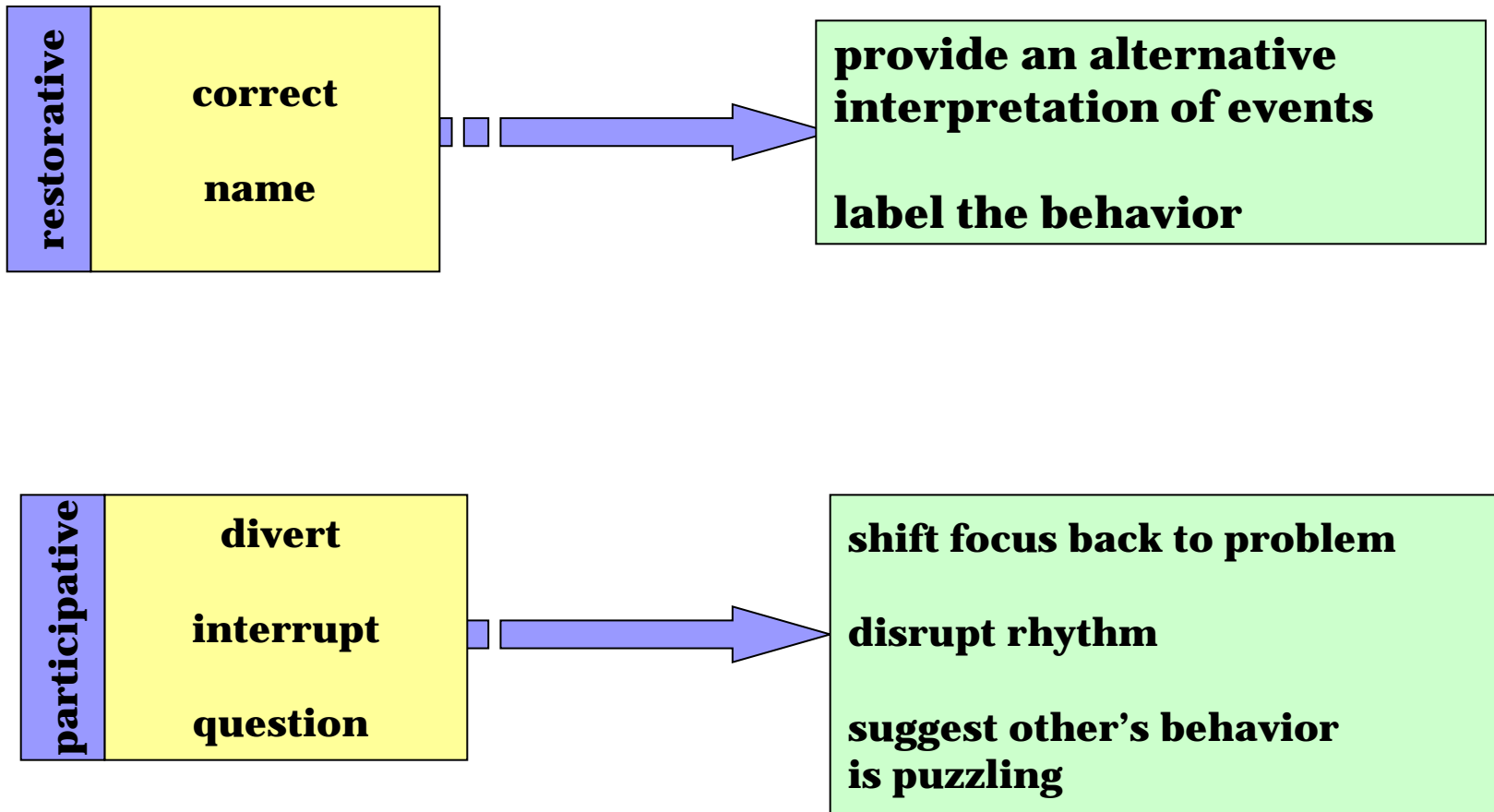
When the other party “attacks” ...



Recognise the moves ...



... and turn them



How does that work?

