



**Gender in Job Negotiations:  
A Two-Level Game**

By Hannah Riley Bowles and  
Kathleen L. McGinn



**Groups Work for Women:  
Gender and Group Identity  
in Social Dilemmas**

By Rachel Croson, Melanie  
Marks, and Jessica Snyder



**Gender and Negotiation  
in the Small: Are Women  
(Perceived To Be) More  
Cooperative than Men?**

By Catherine Eckel, Angela C.  
M. de Oliveira, and Philip J.  
Grossman



**Gender Differences in  
Competition**

By Muriel Niederle and Lise  
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**The Beauty Premium:  
Physical Attractiveness and  
Gender in Dictator Games**

By Tanya Rosenblat



**To Flirt or Not to Flirt?  
Sexual Power at the  
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By Laura J. Kray and Conson  
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**Propensity to Negotiate  
and Career Advancement:  
Evidence from an Investment  
Bank that Women Are on a  
“Slow Elevator”**

By Fiona Greig

# INSIGHTS

## Gender in Decision Making & Negotiation

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# Introduction

Iris Bohnet and Hannah Riley Bowles

Gender has become one of the hottest areas of negotiation research and teaching in recent years. The topic has received increasing media attention, and negotiation students and executive education participants more frequently request that educators address the topic of gender dynamics at the bargaining table.

Our aim in presenting the collection of articles in this special issue of *Negotiation Journal* is to provide a resource for negotiation teachers, trainers, and practitioners interested in the latest developments in the study of gender in negotiation, and also to offer an introduction to the field for scholars and students interested in conducting research on the topic.

The collection includes review articles suitable for use in negotiation courses and training programs (see Hannah Riley Bowles and Kathleen McGinn on gender in job negotiations; Catherine Eckel, Angela de Oliveira, and Philip Grossman on gender and cooperation; and Muriel Niederle and Lise Vesterlund on gender differences in competition). It also provides a sampling of empirical articles representative of the diverse methods in this area of research (see Rachel Croson, Melanie Marks, and Jessica Snyder's coordination experiment, and Fiona Greig's field study on negotiation and career advancement). Finally, the collection also introduces new areas of investigation with implications for gender in negotiation (see Tanya

Rosenblat on the beauty premium in negotiation and Laura Kray and Connson Locke on flirtation).

Perhaps the most important development in the study of gender in negotiation in the past ten years has been the movement from studying gender as a "personality" variable to examining "gender in context." Male and female negotiators sometimes fulfill the sex stereotypical expectations that men will be more competitive bargainers and claim a greater portion of the pie than women, but people's gender is *not* a consistent predictor of their negotiating behavior or performance. As illustrated in the current collection of articles, what recent research has shown is that gender effects on negotiation are contingent on situational factors that make gender more or less relevant, salient, and influential. The articles in this collection also demonstrate that some of those situations in which gender effects do arise have important economic and career implications.

We have organized the articles in three sections around the following topics: defining the negotiating table, interacting at the negotiating table, and leaving the negotiating table.

The articles in the first section on *Defining the Table* highlight how relationships *away* from the bargaining table—often ignored in negotiation research—influ-

ence gender effects on negotiation *at the bargaining table*. For instance, Bowles and McGinn review research on gender in job negotiations and argue that gender effects on negotiations with employers cannot be understood in isolation from the effects of gender in household bargaining. They describe research findings on the situational factors that moderate gender effects on job negotiations, including the degree of ambiguity about what is available for negotiation, the salience of sex stereotypes about how men and women will and should behave in job negotiations, gender differences in pay expectations, and gender ideology with regard to the division of household labor.

In the same section, Croson, Marks, and Snyder present the results of a laboratory experiment in which they found that gender effects on group coordination varied depending on group members' outside relationships (i.e., belonging to a sorority/fraternity). For instance, they found that women's group coordination improved when they belonged to a shared identity group whereas men's worsened.

The articles in the second section on *Interacting at the Table* present research on how one's own gender and the gender of one's counterpart can influence negotiation-related behaviors, such as economic cooperation and the propensity to compete. Eckel, de Oliveira, and Grossman review the literature on how gender influences altruism and cooperation in bargaining-related decisions. The research that they review found that gender effects vary substantially and depend less reliably on the gender of the decision maker than on situ-

ational factors, such as whether the behavior is public or private (e.g., women seem to be more generous than men in public but not in private). These studies have indicated that gender differences in behavior are often a response to sex stereotypical expectations that cause women and men to feel that they must comply with some implicit norm (e.g., women are expected to care more about others and be more generous than men).

Niederle and Vesterlund review the results of three experiments on gender and competition that indicated that women are more prone to compete in same-sex than in mixed-sex situations. In one of these studies, they found that a quota-type affirmative action intervention motivated women to compete, in part because they perceived themselves to be competing more with other women than with men.

Rosenblat presents a study from a new line of research on the "beauty premium" in negotiation. She found that the combined verbal and physical attractiveness of one's counterpart had a greater positive influence on women's than on men's generosity, and proposes new research directions for illuminating the effects of physical attractiveness and gender on negotiation.

Kray and Locke present the results of two studies on perceptions of flirtation in negotiation. They found that trained negotiators tend to dismiss the effectiveness of flirtation as a negotiation strategy but that study participants perceived more flirtatious negotiators to be more likable, if less authentic. They discuss

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directions for future research, including whether women are more likely to be perceived, for good or bad, as more flirtatious than men.

Our final section on *Leaving the Table* explores the implications of gender differences in the propensity to negotiate. We include one article in this section by Greig, which presents the results of her field study of the career consequences of gender differences in the propensity to negotiate. She conducted her study in a large financial institution by collecting behavioral measures of the propensity to negotiate. She then combined those behavioral data with additional survey data and human resources records to show that women's lower propensity to negotiate (as compared to men's) helped explain why women in this organization seemed to be riding a "slow elevator" when trying to advance up the ranks.

Taken together, these articles give readers a sense of the diversity of methodologies and paradigms that have been used to study gender in negotiation. Croson, Marks, Snyder, Eckel, de Oliveira, Grossman, Niederle, Vesterlund, and Rosenblat—all experimental economists—use highly controlled, abstract games with anonymous interactions. Bowles and McGinn present the results of research based on field surveys and interviews as well as psychological and economic experiments. As with Kray and Locke's second study, most of the psychological experiments reviewed by Bowles and McGinn invite study participants to engage in simulated real-life negotiation scenarios, such as salary discussions or business deals. The participants

generally engage in face-to-face negotiations with one another or evaluate the behavior of videotaped negotiators. Greig combines different approaches, matching up survey, archival, and behavioral data to measure the impact of gender differences in negotiation on career advancement within an actual organization.

This collection provides a snapshot of a growing body of research, some of which is naturally more mature than others. Certain articles in the collection have clear prescriptive implications, while others offer additional exciting questions rather than conclusions. We hope that the insights of this work will be useful to negotiation practitioners, teachers, and students, and that the open questions will stir readers' curiosity and research ambitions. Perhaps, most importantly, we hope that this work will whet readers' appetites to talk and learn more about the complex and important implications of gender for negotiation.

The articles in this special issue were inspired by a series of research conferences on gender in negotiation, jointly hosted by the Women and Public Policy Program at Harvard Kennedy School and the Program on Negotiation at Harvard Law School. We thank the authors for their interesting contributions, the conference participants for their helpful comments and stimulating discussions, and the Provost's Fund for Interfaculty Collaboration at Harvard University and the Women's Leadership Board at Harvard Kennedy School for their generous support.

# Summaries

## GENDER IN JOB NEGOTIATIONS: A TWO-LEVEL GAME

By Hannah Riley Bowles and Kathleen L. McGinn, summarized by Jennifer Lewis

Bowles and McGinn reviewed two bodies of literature on gender in negotiation – one from psychology and organizational behavior on candidate-employer negotiations and another from economics and sociology on intra-household bargaining – to examine how negotiation affects gender differences in compensation.

### Main findings

- » A Two-Level Game: One cannot understand the effects of gender and negotiation on work compensation without recognizing the fundamental interlocks between gender effects in candidate-employer negotiations (Level One) and gender effects in intra-household bargaining (Level Two).
- » Level One: Gender Effects on Candidate-Employer Negotiations: Male negotiators tend to negotiate higher starting pay than their female peers.
- » Ambiguity: The higher the ambiguity about the negotiating range and appropriate standards of compensation is, the larger are the gender differences in starting salary.
- » Descriptive Sex Stereotypes: Inform expectations about how men and women will behave. Simple awareness of such descriptive sex stereotypes can influence negotiation performance through a dynamic of fulfilled expectations.
- » Prescriptive Sex Stereotypes: Influence evaluations of what is attractive or appropriate behavior. They make attempting to negotiate for higher compensation a more socially risky endeavor for women than for men, because people not only expect that women will be more agreeable and other-oriented than men, they also believe women should behave in that manner.

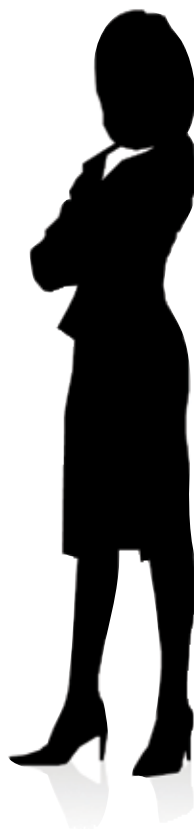


“Negotiating for higher compensation is a more socially risky endeavor for women than for men”

- » Level Two: Gender Effects on Intra-household Bargaining: One of the most intractable barriers to gender equality in the workplace remains the inequitable distribution of household labor. Gender inequality in earnings reflects the fact that greater responsibility at home is significantly related to lesser earnings at work.

### Implications: Reducing Gender Inequalities in Job Negotiations

- » Flexibility: Negotiate a flexible work schedule that enables the employee to contribute more hours to the organization and more income to household earnings while still being available at critical hours to the household. Job candidates can realize these types of mutually beneficial solutions if they work actively with household members and employers to identify key interests (e.g., timing preferences and constraints) and innovative options for maximizing value at both levels of negotiation.
  - » Reduce Ambiguity: Reduce the degree of ambiguity for candidates about the negotiating range and appropriate standards of compensation.
  - » Use Awareness of Gender Bias: Candidates may benefit from making themselves more explicitly self-aware about how gender influences their home and work environment, so that they can make more conscious choices about how gender influences their preferences and behavior or not.





### GROUPS WORK FOR WOMEN: GENDER AND GROUP IDENTITY IN SOCIAL DILEMMAS

By Rachel Croson, Melanie Marks, and Jessica Snyder, summarized by Jennifer Lewis

Croson et al. examined the impact of gender and group identification on cooperation and coordination in a social dilemma setting where there is tension between increasing one's own earnings and improving the earnings of the group as a whole.

#### Main findings

- » In all-female groups, when participants were part of a larger organization with high social identity, the group's coordination, efficiency and equity increased.
- » In all-male groups, high social identity decreased the group's coordination, efficiency and equity.

#### Implications

- » For women, negotiating with women in their established group fosters cooperation, leading to more efficient outcomes relative to negotiating with a female stranger.
- » For men, negotiating with men in their group fosters competition, leading to more competition when compared with negotiating with a male stranger.

For women, negotiating with women in their established group fosters cooperation, leading to more efficient outcomes relative to negotiating with a female stranger.

### GENDER AND NEGOTIATION IN THE SMALL: ARE WOMEN (PERCEIVED TO BE) MORE COOPERATIVE THAN MEN?

By Catherine Eckel, Angela C. M. de Oliveira, and Philip J. Grossman, summarized by Jennifer Lewis

Eckel et al. analyzed bargaining games used in experimental economics to uncover empirical regularities regarding gender and cooperation.

#### Main findings

- » Fairness: Women tend to be more sensitive than men to issues of overall fairness in negotiations, often being more egalitarian. However, the gender difference is small in many settings. At the same time, the evidence of a perception and expectation that women are fairer than men is robust.
- » Relationships: Women are more sensitive to the context of the negotiation, particularly to contexts involving relationships.
- » Share of the pie: Women tend to ask for less, and to accept less in a negotiation.
- » Stereotypes: While differences in the behavior of women and men tend to be small and vary with context, stereotyping is alive and well and much more likely than real, underlying differences in behavior to cause problems in negotiations.

#### Implications

- » "The fairness-trap": Because women are expected to be fairer than men, women who play hardball in settings in which perceptions of fairness are important may face particular challenges.
- » "The settling-for-less-trap": Women can avoid falling into this trap by researching ahead of time what reasonable outcomes are for the specific negotiation setting they are in and by adjusting their aspiration levels and strategy accordingly.
- » "The stereotype-trap": An awareness of the important role that stereotyping plays in forming expectations can lead to more accurate pre-negotiation assessments of motives, behavior, and outcomes. Unconscious gender schemas and stereotypes can undermine an otherwise successful negotiation.

## GENDER DIFFERENCES IN COMPETITION

By Muriel Niederle and Lise Vesterlund, summarized by Jennifer Lewis

Niederle and Vesterlund describe their experimental studies that investigated and documented differences in the competitive behaviors of women and men.

### Main findings

- » Gender differences in performance: Women's performance was higher in all-female groups than in mixed gender groups where they had to compete with both women and men.
- » Gender differences in willingness to enter competition: Among equally well performing women and men, men were more likely to enter a competition than women.
- » Gender differences in self-confidence: Women were less likely to enter a competition than men because men were more confident about their relative ability than women.

- » Gender differences in preference for competition: Women were less likely to enter a competition than men because women disliked competing more than men.

### Implications

Gender differences in career advancement: Women are less likely than men to ask to be considered for a promotion or to be nominated by their political parties not only because they dislike asking but also because they dislike competing with others.

### Affirmative action/reserved seats

- » Increases the likelihood that women enter a competition as women are less reluctant to compete in all-female groups.
- » Does not have to decrease the quality of those who enter the competition if the highest performing women are more likely to enter than the lower performing women. This is in fact what the authors found.



“Women are less likely than men to ask to be considered for a promotion or to be nominated by their political parties not only because they dislike asking but also because they dislike competing with others.”

## THE BEAUTY PREMIUM: PHYSICAL ATTRACTIVENESS AND GENDER IN DICTATOR GAMES

By Tanya Rosenblat, summarized by Suzan El-Rayess

Rosenblat investigated the role physical attractiveness plays in negotiations, particularly influencing wages and how beauty may often act as an implicit factor in the negotiation channel.

### Main findings

- » Beauty Premium: Attractive people received larger shares of the pie when decision makers both saw and heard them, in particular from female decision makers.
- » Social Cues: Men and women dif-

ferred with respect to interpreting facial expressions, mannerisms and other nonverbal cues. Women were more influenced by and accurately sensitive to non-verbal communication than men.

### Implications:

- » Repeated interactions: First impressions, including perceptions of beauty, become less relevant as negotiators interact with each other more often.
- » Negotiation channels: Negotiating in writing or “behind a curtain” (e.g., blind auditions) rather than face-to-face communication can alleviate levels of bias or discrimination.



## TO FLIRT OR NOT TO FLIRT? SEXUAL POWER AT THE BARGAINING TABLE

By Laura J. Kray and Connon C. Locke, summarized by Jennifer Lewis

Kray and Locke assessed trained negotiators' beliefs about the effectiveness of flirtatiousness in negotiations because of the lay belief that women use flirtation to their advantage. They then examined the actual impact of a flirtatious style on negotiator impression formation.

### Main findings

- » Success in negotiation: Flirtation was judged to be an ineffective negotiation strategy. However,

- » Norms of political correctness may have affected the participants' willingness to admit that flirtation may have a positive effect on negotiation outcomes.
- » Respondents may simply be unaware of how flirtation influences outcomes.
- » Likeability: Flirtation increased perceived likability, in particular for female negotiators.
- » Competence: Flirtation did not detract from the perceived competence of negotiators.
- » Authenticity: Flirtatious negotiators were judged to be less authentic and more manipulative than negotiators who refrained from flirting.

### Implications:

The fact that both likability and authenticity are critical for developing long-term relationships poses a dilemma for negotiators considering strategic flirtation. A better understanding of the contexts in which one is more important than the other will inform negotiators' choice.

Flirtation increased perceived likability, in particular for female negotiators



## PROPENSITY TO NEGOTIATE AND CAREER ADVANCEMENT: EVIDENCE FROM AN INVESTMENT BANK THAT WOMEN ARE ON A "SLOW ELEVATOR"

By Fiona Greig, summarized by Jennifer Lewis

Greig ran an experiment in a major investment bank in the United States to examine whether gender differences in the propensity to negotiate contribute to women's underrepresentation at senior levels.

### Main findings

- » Gender differences in propensity to negotiate: Women were less willing to negotiate than men. Most female employees reported that they had no problem negotiating with clients but felt uncomfortable negotiating on their own behalf.
- » Gender differences in career advancement: Women in the investment bank were advancing more slowly than men. Women, on average, ranked lower in the organization than men, even after rank at which employees entered the organization was controlled for.
- » Relationship between negotiation and career: Employees with a higher propensity to negotiate advanced more quickly. Women's lower propensity to negotiate partially accounted for the dearth of women in senior corporate positions.

### Implications

- » Closing the Gender Gap: The gender gap in the rate of advancement accounts for most of the gender gap in seniority. In fact, if men and women were to advance at the same rate, women would no longer be underrepresented in senior ranks of the organization.

### Evaluations for advancement

1. Make performance review systems more objective: when performance metrics are more objective, propensity to negotiate is less likely to be associated with quick advancement.
2. Lessen the effect of negotiation on one's own behalf on promotion by making managers more aware that employees differ in their propensity to negotiate in ways that are not correlated with productivity, and that male employees are more likely than female employees to initiate such negotiations.
3. Arm women with better negotiating skills and with the mindset to recognize opportunities to negotiate in order to ensure that their case is being made and their needs are being met.



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