



Counteracting Negotiation Biases Like Race and Gender in the Workplace

Discrimination and fear of a backlash keep women and minorities from earning as much as white men, new research on negotiation biases confirms. To level the playing field, organizational leaders need to be proactive.

BY PON STAFF – ON NOVEMBER 19TH, 2020 / LEADERSHIP SKILLS



To learn more about negotiation biases, let's look back to July of 2018 when the principal flutist of the Boston Symphony Orchestra (BSO), Elizabeth Rowe, became the first Massachusetts resident to sue her employer under a new state law designed to address the persistent pay

gap between men and women. Despite being the most frequent soloist among the BSO's principal musicians, Rowe earns only about 75% of the salary of her closest comparable colleague, the BSO's principal oboist, John Ferrillo, and also earns less than four other principal male players, adjusted for seniority. Ferrillo and Rowe, who joined the symphony in 2001 and 2004, respectively, sit next to each other in the orchestra, and both lead woodwind sections from endowed chairs. Rowe is seeking \$200,000 in back pay.

According to her lawsuit, Rowe asked the BSO several times in recent years to adjust her pay and was rebuffed. She sued one day after the Massachusetts Equal Pay Act went into effect. The law stipulates that employers cannot pay workers less than what they pay employees of a different gender for comparable work—that is, work requiring substantially similar skill, effort, and responsibility performed under similar working conditions.

In a statement attached to Rowe's complaint, Ferrillo called Rowe his "peer and equal" and noted that they work so closely that "we jokingly refer to playing Floboe." Rowe is "at least as worthy of the compensation that I receive as I am," he wrote.

In an August court filing, the BSO denied Rowe's allegations of gender-based pay discrimination, arguing that "the flute and the oboe are not comparable instruments" and that Rowe's pay is higher than that of numerous other male principal BSO members.

Regardless of how Rowe's case would play out (they settled for an undisclosed amount in February 2019), the gender discrimination she alleged is not unique. According to the Pew Research Center, women earned 82 cents for each dollar earned by men in 2017, a pay gap that has persisted over time. Women earn less

than men in part because jobs performed mainly by women (such as teaching and nursing) pay less than those dominated by men (such as technology and management). But differences in how salary negotiations unfold for men and women vying for comparable jobs appear to be another contributor to the pay gap.

In particular, the degree to which incoming employees feel comfortable assertively negotiating their starting salary may depend on their gender. When women negotiate for higher salaries, they must behave contrary to deeply ingrained societal gender roles of women as passive, helpful, and accommodating. As a result, their requests often face a backlash: relative to men who ask for more, women are penalized financially, are considered less hireable and less likable, and are less likely to be promoted, research by Hannah Riley Bowles of the Harvard Kennedy School and others shows. Men, by contrast, generally can negotiate for higher pay without fearing a backlash because such behavior is consistent with the stereotype of men as assertive, bold, and self-interested.

But gender is only one aspect of the pay gap. In 2016, college-educated black men earned about 80% of the hourly wages of college-educated white men, while black men overall earned just 68% of that earned by white men, according to the Pew Research Center. Also in 2016, Hispanic women earned only 62.2% of the wages of white men. Asian women fared better, earning 95.8% of white men's earnings in 2016, but only earned 78.4% of what Asian men made that year.

As these statistics suggest, the pay gap is more complex than it first appears. Two recent studies illuminate these complexities and suggest remedies organizations and their leaders can attempt to reduce the impact of racial and gender bias in employment negotiations.

Negotiation biases and bargaining while black

In a recent study, University of Virginia professor Morela Hernandez and her team assigned 144 male and female working adults of different races (50% white, 27% African American, 14.6% Asian, 6.3% Hispanic, and 2.1% other), as well as 74 male and female undergraduate students of different races, to play either a job candidate or a hiring evaluator in a 15-minute negotiation simulation over a job with a salary range of \$82,000–\$90,000. After they negotiated, the participants answered questions that assessed their level of racial bias.

The study results showed that white and black candidates were equally likely to try to negotiate their salary. However, evaluators who scored high for racial bias believed that black candidates had negotiated more often than white candidates. This false perception, likely based on the biased evaluators' expectation that black candidates would and should settle for less, led them to penalize black candidates for negotiating by granting fewer salary concessions. In fact, each time a black candidate was perceived to have made an offer or counteroffer, participants high in racial bias gave them about \$300 less in starting salary, on average. By contrast, evaluators who scored low on racial bias had more accurate perceptions of candidates' negotiating frequency and granted more equitable salaries as a result.

Considerable research evidence finds that virtually all of us are subject to *implicit* racial biases that lead us to treat others unfairly and inequitably, often contrary to our well-meaning intentions. Such “ordinary prejudice,” as psychologists call it, is widespread and rooted in the human brain’s tendency to categorize and make snap judgments. But Hernandez’s study leads to the sobering conclusion that *explicit* racial bias—a belief in the dominance of certain groups over other groups, based on factors such as race—remains a significant obstacle for African Americans in the job market.

When race and gender intersect

In a famous study from 1995, Yale University professor Ian Ayres found that car dealers made significantly higher opening offers to black and female participants than to white males, who ended up getting much better deals as a result. Specifically, average dealer profit was \$362 from white men, \$504 from white women, \$783 from black men, and \$1,237 from black women. This was true despite the fact that the participants were trained in advance to negotiate in the same way.

The study results starkly illustrate that in negotiation, racial and gender biases can intersect in ways that harm some groups and benefit others. White women appeared to benefit from racial stereotypes relative to blacks in the Ayres study, for example, but to be harmed by gender stereotypes relative to white men. Meanwhile, black women seemed to suffer from negative gender *and* racial stereotypes in the car-buying negotiations.

In a new study, Negin R. Toosi of California State University and her colleagues explored how race and gender intersect to influence job candidates’ assertiveness in salary negotiations. In particular, they compared the negotiating behavior of white and Asian Americans. Asian Americans face stereotypes that paint them as unassertive and submissive. Might Asian American women then face the “double jeopardy” of both racial and gender biases in salary negotiations?

To find out, Toosi and her team asked 980 white and Asian American men and women to imagine they had received a job offer from a consulting firm with a salary range of \$31,000 to \$54,000. How much would they ask for if they could make the first offer? Interestingly, white men and Asian women specified higher first offers (\$48,247 and \$47,797 on average, respectively) than white women and Asian men (\$46,341 and \$46,436 on average, respectively). Further analysis showed that participants who aimed lower had a greater fear of being punished for asking for too much. Interestingly, white women in this study seemed to fear this type of backlash, but Asian women did not.

Contrary to the double-jeopardy hypothesis, the findings support past research showing that when people belong to more than one minority group (such as “woman” and “Asian”), they are at risk of being overlooked. This “intersectional invisibility” can have negative consequences, such as leading certain groups to be underrepresented in organizations. Yet it may also reduce one’s likelihood of being

measured against racial or gender stereotypes and falling short. Asian women participants in this experiment may have intuited this outcome and aimed high as a result, though this possibility still needs to be tested.

This research shows that race and gender need to be considered in tandem to avoid jumping to simplistic conclusions about how we are likely to be treated in job negotiations—and how we are likely to treat others.

Promote more equitable negotiations

There are steps that individual women and minority negotiators can take to avoid a backlash for behaving contrary to tired racial and gender stereotypes. For example, women have been advised to appear other-focused and nurturing when making salary requests by referencing their family's financial needs or their desire to represent women as a whole. However, such behaviors can feel false, uncomfortable, and overly accommodating.

To reduce the insidious impact of racial and gender negotiation biases in hiring, compensation, and promotion negotiations, broader organizational and societal changes are needed. Because negotiation biases spring from faulty intuition, reducing the role of snap judgments in the decision-making process is an important step toward promoting more equitable job negotiations.

In her book *What Works: Gender Equality by Design* (Belknap Press, 2016), Harvard Kennedy School professor Iris Bohnet recommends requiring decision makers to conduct structured rather than unstructured interviews. Noting that unstructured interviews have proven to be very bad at predicting employee performance, Bohnet explains that managers can make more rational hiring decisions by asking all candidates the same list of predetermined questions in the same order, scoring them during the interview, and then carefully comparing and weighting their answers on a scoring system.

Reducing the role of intuition can also improve salary negotiations. Organizations would benefit from publicizing pay-grade ranges and requiring decision makers to compare the salaries of those with comparable jobs. In addition, leaders should instruct negotiators not to ask candidates how much they earned in the past. Because women and minorities tend to earn less than white men, the question can put them at a disadvantage and perpetuate the gender pay gap. In fact, the Massachusetts Equal Pay Act and recent laws in several other states now make it illegal to ask employees about their salary history.

Have you experienced or witnessed negotiation biases such as this in the workplace? Share your story below.

Resources:

“Bargaining While Black: The Role of Race in Salary Negotiations,” by Morela Hernandez, Derek R. Avery, Sabrina D. Volpone, and Cheryl R. Kaiser. *Journal of Applied Psychology*, 2018.

“Who Can Lean In? The Intersecting Role of Race and Gender in Negotiations,” by Negin R. Toosi, Shira Mor, Zhaleh Semnani-Azad, Katherine W. Phillips, and Emily T. Amanatullah. *Psychology of Women Quarterly*, 2018.

Adapted from the article “Counteracting Racial and Gender Bias in Job Negotiations” in the January 2019 issue of Negotiation Briefings, the Program on Negotiation’s monthly newsletter of advice for professional negotiators.

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■ Comments

No Responses to “Counteracting Negotiation Biases Like Race and Gender in the Workplace”

JAMES L. NOVEMBER 19, 2020

Informative update to articles on gender and race discrimination in the workplace. You may wish to add in a future piece the Article by Michael Z. Green, Negotiating Race in the Workplace after Trump, 35 *Nego. J.* No. 1, 195 (2019) and his piece, Negotiating While Black, in *The Negotiator’s Desk Reference* (2017).

REPLY

ALLEN Z. NOVEMBER 19, 2020

Has any research been done on, or consideration given to, job applicants using a strategy of educating interviewers in real time, e.g., sharing with them the data contained in this Daily Blog piece. It might involve first sharing with the interviewer one’s quandary – should I ask for what I believe I deserve or will such an ask engender a bad reaction based on implicit bias. The applicant would then share the data that validates the concern, and conclude with a statement that s/he doesn’t know what to do, adding that it would be unfortunate if the negotiation failed when it didn’t need to or if s/he ended up taking a lower-than-appropriate offer, if such were offered, and then resenting the process and perhaps not staying with the organization. My premise is that calling attention to the issue of implicit bias in an unemotional and non-judgmental way would cause the interviewer to become more self-aware and therefore less likely to inadvertently fall into the bias trap.