

California Management Review

Leading Through Negotiation:
Harnessing the Power of Gender Stereotypes

Laura J. Kray

© 2007 by The Regents of
the University of California

University of California
Berkeley
Haas School of Business

Leading through Negotiation:

HARNESSING THE POWER OF GENDER STEREOTYPES

Laura J. Kray

As vividly detailed in media outlets throughout the globe, a political firestorm erupted on January 14, 2005, when Lawrence H. Summers, the then-President of Harvard University, commented at a conference on Diversifying the Science and Engineering Workforce that one reason why women lag behind men in the attainment of high-end positions at elite academic institutions is that women enjoy less “intrinsic aptitude” than men. Although Summers explicitly stated at the start of his speech that his remarks were “unofficial” and intended to provoke thought on both this issue and on “the marshalling of evidence to contradict what I have said,” his statements nonetheless produced an outcry that ultimately resulted in his resignation from the presidency. The apparent denouement to the controversy was the recent appointment of Catharine Drew Gilpin Faust as Summers’s replacement. In the aftermath of the arguably politically incorrect pronouncement that innate gender differences may explain a well-documented achievement gap, the oldest and most prestigious institution of higher learning in the United States appointed its first woman leader.

In addition to touting Faust’s appointment as “a great day, and a historic day, for Harvard,” James R. Houghton, the senior member of the Harvard Corporation and chair of the presidential search committee, also applauded her leadership capabilities: “Her many admirers know her as both collaborative and decisive, both open-minded and tough-minded, both eloquent and understated, both mindful of tradition and effective in leading innovation.” This characterization of Faust as a leader is noteworthy in that it projects onto her a balance of stereotypically masculine and feminine traits. Implicit in this description is the

I am grateful for the research assistance of Sebastien Brion in preparing this article. I would also like to acknowledge the generous support of the *National Science Foundation* (#SES-0073682) in making much of this research possible as well as the support of the *California Management Review*.

belief that some individuals possess traits that both support and contradict traditional gender stereotypes, and that excellence emerges from leaders who transcend the limits imposed by such stereotypes.

Gender stereotypes, and how women and men behave in competitive contexts, has a major impact on their performance at the bargaining table.¹ Although this differs in some respects from the science and engineering domains that were the focus of Summers's arguments, similar claims have been made about women's relative disadvantage in negotiations due to intrinsic differences. In addition, the value of negotiating effectively to further one's career holds true regardless of whether the focus is on business leaders or scientists. Negotiating ability is arguably the most important skill that future leaders can develop for themselves. With an increasingly mobile workforce that faces less job security and increasing competition, knowing how to sell one's ideas and assert one's preferences, while working to help others do the same, are priceless skills.² Innovative leadership requires negotiating prowess.

Do Gender Differences Exist? If So, Are They Substantial Enough to Matter?

The clearest answer to the question of whether gender makes a difference in the deals that we make and how we negotiate to resolve conflict is simply yes. Researchers have concluded that two small but reliable gender differences emerge in the negotiation arena. First, on average, men's behavior is more competitive, or self-serving, than that of women.³ Second, men reap more favorable outcomes on average than do women.⁴ Although these differences may be relatively modest in size, the fact that they occur across a variety of contexts with differing populations suggests they are capturing a robust difference between the sexes.

Taking as a given that gender differences exist, the next question that warrants asking is: So what? If gender differences are relatively modest in size, then a reasonable interpretation may be that they do not merit much attention or concern. Unfortunately, this conclusion fails to take into account the profound impact that small differences can have when compounded over time. Martell, Lane, and Emrich demonstrated in a computer simulation that even when gender was a very small discriminating factor in work performance evaluations, large differences resulted in the rate of career advancement for men

and women climbing a hypothetical corporate ladder.⁵ In their simulation, the pool of qualified men and women was initially identical. However, with the introduction of a gender bias against women that

accounted for just 5% of their evaluations, women comprised only 29% of the top-level positions in the organization after multiple rounds of promotions. With gender accounting for what might seem like a trivial 1% of evaluations, women composed only 35% of the most elite positions in the organization, and men the

Laura Kray is the Harold Furst Associate Professor of Management Philosophy and Values at the Haas School of Business at UC Berkeley.

remaining 65%. What started as a 1% bias in evaluations eventually resulted in a 30% performance gap. Because there are so few positions at the top of an organizational hierarchy, small biases can dramatically affect who eventually occupies the most elite positions. This analysis makes clear that even small causes can have dramatic effects when aggregated over time.

Another reason for caring about even small gender differences is that diversity in leadership, represented by the appointment of Faust as Harvard's president, is likely to promote innovative approaches to attaining commonly shared goals.⁶ Diversifying the upper ranks of organizations is surely beneficial from an innovation standpoint because it brings unique views to the table that might not otherwise be considered.⁷ One of the unique challenges that leaders face at the bargaining table is the gender stereotype.

Gender Stereotypes: The Linchpin Connecting Gender to Negotiating Effectiveness

Summers suggested three potential causes of an achievement gap between men and women. First, women may be less willing to invest the effort required to succeed at the highest levels. In support of this argument, women and men differ in their reactions to having a negotiation prematurely aborted. While men tend to experience regret when their first offer is immediately accepted at the bargaining table, women are more likely to experience relief that the negotiation is over because it allows them to avoid an activity they find particularly unpleasant.⁸ The second potential cause of the gender achievement gap is discrimination. If women are offered less attractive initial deals than men, then their disadvantage out of the starting gate might produce different results. This factor also appears to be at play at the bargaining table. In a particularly striking demonstration of discrimination in negotiations,⁹ men and women actors entered car dealerships to obtain price quotes. Although they followed identical scripts and sought the identical vehicles, men were offered significantly better deals than their women counterparts. Both of Summers's initial hypotheses about the causes of the gender achievement gap appear relevant to negotiations.

The third and most controversial cause of the gender achievement gap that Summers proposed is that men possess greater "availability of aptitude at the high end" of the population distribution than women. In an extremely competitive arena such as academic science, where the most successful scholars are likely several standard deviations above the population mean on relevant dimensions, this presumed gender difference in aptitude naturally translates into more men than women who have what it takes to succeed. As Summers asserted, "Even small differences in the standard deviation will translate into very large differences in the available pool." Although it would not likely provoke outrage for an individual to assert that on average men are taller than women, claiming that inherent differences in cognitive abilities drive the achievement gap was a different story entirely.

How can the merits of Summers's claim be objectively tested? One approach might be to sample from a diverse array of the population to determine if men and women differ in their negotiating aptitude. If a relative scarcity of female negotiators emerged only at the highest ability levels, then this would be consistent with his argument. Nevertheless, the claim would be open to alternative explanations in that discrimination and lapses in dedication may also be most apparent at the extremes. A more conclusive way of examining the veracity of claims about innate differences in aptitude is to consider whether gender differences can be made to appear, disappear, or reverse depending on the context. If differences are innate, then they should occur invariantly. If, on the other hand, they are due to environmental factors, then changing the context should affect whether they are observed. For over 10 years, researchers have been doing just this by studying what situations trigger gender differences at the bargaining table.

Again and again, context proves to be a stronger predictor of negotiating effectiveness than individual differences such as gender. However, while context is a strong predictor of behavior regardless of individual characteristics, appreciating the ways in which the bargaining table may be *experienced* differently by women and men brings the greatest clarity to the question of when and why gender matters. Understanding negotiators' internal psychological experiences is critical because the set of beliefs they bring with them to the bargaining table determines the goals they set, how they behave, and how well they perform. By attending to and altering the messages being received about what contributes to negotiating effectiveness, gender differences can be made to appear, reverse, or disappear entirely.

One belief that is particularly powerful in determining how resources are divided when men and women negotiate together is the gender stereotype. Men are thought to be rational, assertive, and highly protective of their own interests. In contrast, women are thought to be passive, emotional, and accommodating of other's needs.¹⁰ Because the traits associated with masculinity tend to be associated with effective negotiators, men are presumed to be more effective negotiators than women. One important truth about stereotypes that contributes to their potency is that even people who profess not to believe the stereotype to be true can be harmed by the awareness that a negative stereotype exists about a group to which they belong.

In his highly influential research examining the academic achievement gap between Blacks and Whites, Claude Steele termed this phenomenon *stereotype threat*.¹¹ He described it as the concern and anxiety individuals feel when they are in a situation that may confirm a negative stereotype about a group to which they belong. Not allowing people to pay full attention to the task at hand by reminding them that a stereotype relevant to them suggests they should do poorly on that task can create a distracting concern that their behavior and performance will confirm the negative stereotype. The "threat in the air" that members of negatively stereotyped groups shoulder is the knowledge that others hold low expectations of them. It is this psychological burden that leads

to performance decrements, rather than innate deficiencies. Researchers have demonstrated that seemingly innocuous tasks, such as checking off a box to indicate one's gender prior to completing a difficult exam, can create performance differences where they wouldn't otherwise exist by making negative stereotypes and their concomitant self-doubt cognitively accessible for targeted individuals.¹²

We decided to examine whether stereotype threat might affect women at the bargaining table by manipulating the accessibility of the gender stereotype in a quantified buyer-seller negotiation involving men and women. We sought to determine whether creating contexts that activated the stereotype that women are ineffective negotiators would exacerbate gender differences relative to conditions under which people were unlikely to be thinking about gender stereotypes. To do this, we told one group of negotiators that the negotiation they were about to complete was capable of detecting their genuine negotiating ability; another group of negotiators was told that the negotiation was not diagnostic of abilities but rather an exercise designed to introduce core negotiating concepts and to promote learning. In both instances, the substantive information that negotiators were provided about the parameters of the negotiation was identical, yet the psychological experience of the diagnostic and non-diagnostic negotiations differed. We reasoned that negotiators in the diagnostic condition would be more likely to question whether they possessed the necessary skills to succeed at the bargaining table, thereby creating a creeping doubt for women because of their stereotypical deficit of masculine traits. Indeed, we found that women negotiated worse deals than their male counterparts in the diagnostic condition than the non-diagnostic condition.¹³ Contrary to the innate differences argument, women performed on par with their male counterparts in the non-diagnostic condition, which did not pose the threat that they might confirm a negative stereotype about women.

The content of the stereotype itself—that being assertive and rational and having a high regard for one's own interests is beneficial in negotiations—was directly linked to these performance effects.¹⁴ By demonstrating that gender differences could be made to appear by altering how a negotiation task was framed (i.e., diagnostic versus non-diagnostic) or by emphasizing the value of specific masculine traits, we gained confidence that something other than innate differences was driving the performance gap between the sexes. These findings raised the possibility that the gender stereotype itself could be used to challenge the innate differences argument and close the gender gap.

Closing the Gender Gap

The stereotype of any social group includes both positive and negative qualities. For example, the elderly stereotype includes both the attributes "wise" and "forgetful." Researchers have explored the effect of strengthening the mental link in negotiators' minds between stereotypically feminine traits that are positive (such as empathy and communication skills) and what it means to be

an effective negotiator. We found that reminding negotiators of the value of these feminine traits prior to a mixed-gender negotiation actually led females to outperform their male counterparts¹⁵. This reversal occurred despite the fact that the negotiation was framed as diagnostic of their core abilities, the context that had previously produced the worst performance for female negotiators. Armed with the awareness that being female might actually be an advantage, at least from the standpoint of stereotypes, female negotiators approached the bargaining table with more assertive goals and higher expectations of their ability to succeed—two assets that enable any negotiator to capture a greater share of resources. On a broader level, the fact that the stereotype of effective negotiators could be regenerated to include feminine traits and thereby affect relative performance between men and women weakens the notion that an innate divide separates them.

One conclusion of this research is that stereotypes can produce performance differences that might not otherwise exist. In the carefully controlled laboratory context in which this research was conducted, we had the luxury of determining which aspect of the stereotype would be emphasized prior to the negotiation for the research participants. Outside the confines of the social science lab, however, the ability to control or alter the messages that people receive about their social groups is far more limited since dominant stereotypes about men and women are deeply ingrained in our culture. With this realization, the research challenge then became to see whether the impact of negative stereotypes could be mitigated without necessarily modifying the message of the stereotype itself. Somewhat counter-intuitively, we set out to do just this by *blatantly endorsing* the message that gender matters at the bargaining table, rather than attempting to nullify the stereotype outright.

Our logic for supposing that the blatant endorsement of gender differences could improve women's performance was well-grounded in classic psychological research on the general phenomenon of *psychological reactance*, which is the heightened desire people feel to assert their freedom when they perceive it is being restricted by others.¹⁶ For example, reactance is what happens when you are pulling out of a parking space and feel hurried along by another driver who is honking the horn in anticipation of occupying the space: you take longer to exit the space than you otherwise would.¹⁷ Whether conscious of it or not, people often respond to the attempted influence of the other driver by asserting their freedom to remain in the space until they are ready to exit without pressure.

We built on this general reactance principle in formulating our understanding of how the endorsement of gender stereotypes affects female and male negotiators. Just like the honking of the horn led to behavior that ran contrary to the horn's intended effect, we expected the blatant endorsement of gender stereotypes to produce an ironic tendency for women whereby they experience a performance gain rather than a performance loss relative to their male counterparts. We term the tendency to act in a manner contrary to what a stereotype dictates *stereotype reactance*.

To test this stereotype reactance hypothesis, we first conducted an experiment in which we manipulated the message that female and male negotiators received prior to commencing a multi-issue negotiation over an employment contract. For half of the negotiations, the preparation materials for both genders read, "Students of negotiations are often interested in the various personal factors that affect people's ability to perform in important negotiations. For example, previous research has shown that the most effective negotiators in negotiations like the one that you'll do today are rational and assertive, and demonstrate a regard for their own interests throughout the negotiation, rather than being emotional, passive, and overly accommodating." The other half of negotiating pairs also read this description of effective negotiators, as well as the following additional information: "*Because these personality characteristics tend to vary across gender, male and female students have been shown to differ in their performance on this task.*" We expected the initial description that consisted solely of traits associated with effective negotiators to create stereotype threat in female negotiators. The subtle message that women lack negotiating ability compared to men had to be inferred on the basis of the traits ascribed to effective negotiators. Because this message was quite subtle, we expected it to slip "under the radar" of women who might otherwise object to more blatant pronouncements that gender matters and thereby lead to behaviors that unwittingly confirmed the stereotype. In contrast, female negotiators who received the blatant message that gender matters at the bargaining table were expected to exhibit stereotype reactance and capture the lion's share of the resources. Indeed, this is what we found: women captured less of the bargaining resources than their male counterparts when the connection between gender and negotiating effectiveness was subtle; however, women actually captured the majority of the bargaining surplus when this linkage was out in the open.¹⁸

Interestingly, the advantage that women gained when the stereotype was blatantly endorsed could be traced to the first offers that they made at the outset of the negotiation. Although the give-and-take inherent in most bargaining can make negotiators feel like they lack complete control over how the process unfolds, negotiators retain virtually complete control over the figure they first put on the table and first offers are remarkably predictive of final agreements.¹⁹ Women who had marshaled the wherewithal to disprove stereotypic messages went out of the starting gate with an assertive opening offer that aided them in the end. Although negotiations are characterized by a series of reciprocal concessions, starting with more extreme offers than usual enabled women to end with an unusually large share of the bargaining surplus.

The manner in which gender stereotypes are acknowledged—subtly versus blatantly—affects whether the message of the stereotype is confirmed versus disconfirmed. Making explicit the acknowledgement of gender differences led the stereotype-disadvantaged negotiator to perform better than she otherwise might have. How does this result speak to the controversial comments of Larry Summers? It would seem to suggest that his remarks might have had the ironic effect of motivating women to disprove the stereotype. Indeed, he prefaced his

speech avowing the innate-differences hypothesis with a desire to stimulate contradictory evidence, and his speech might do just that.

To test more directly whether the remarks of Larry Summers might have a beneficial effect on women in competitive contexts, my colleagues and I conducted a two-staged experiment. In the first part of the experiment, participants indicated their degree of familiarity with events occurring on college campuses throughout the country. Half of the participants were asked to assess their knowledge of a speech delivered by Larry Summers at a conference on Diversifying the Science and Engineering Workforces in which he asserted innate differences between men and women may exist; the other half of participants evaluated their knowledge of a neutral situation involving a group of MIT students building a dance floor. Following this first task, male and female participants were then paired together to complete a negotiation exercise. Consistent with our expectations, women actually performed better than their male counterparts when they had just been reminded of Summers's remarks.²⁰ When the preceding task emphasized a campus story that did not pertain to gender, male and female negotiators evenly divided the pie of resources. Finally, prior to commencing the negotiation, each negotiator had indicated how competitive they expected to be at the bargaining table and our analyses revealed that women's expectations predicted how well they ultimately did. Being reminded of the Summers controversy increased women's intention to outperform their male counterparts, and that's just what they did.

Though perhaps unpleasant to hear, the endorsement of gender stereotypes can at times have a salutary effect on women. However, this positive benefit for women was not without a cost. Our analyses revealed that male negotiators, the presumed beneficiaries of the Summers hypothesis, were also dramatically affected by considering his remarks, but in the opposite manner as one might expect. Whether it was because they felt guilty about his comments and thus held back when paired with a woman bargaining partner or "choked under the pressure" of the message that men have natural talent in this arena, men's bargaining effectiveness diminished rather than improved in the wake of considering the Summers controversy.

Another unfortunate consequence of pondering the Summers speech prior to engaging in a negotiation requiring both competition and cooperation was that it led negotiators to leave money on the table. Although differences may truly exist across groups engaged in conflict, the truth is that partisans often have an exaggerated perception of the magnitude of their differences.²¹ Being exposed to a message that blatantly advanced an innate sex differences argument led male and female negotiating pairs to assume that their differences were greater than they actually were. Specifically, it led negotiators to fail to recognize when they had compatible interests that could create joint value and instead to settle for alternatives that neither party actually preferred. This tendency to overlook commonalities is termed a *lose-lose effect*²² and exposure to the Summers controversy exacerbated it.

As this research attests, explicitly linking gender to negotiation performance can provoke stereotype reactance in women. This finding suggests that women are better off to the extent that they remain mindful of negative stereotypes about their bargaining abilities. However, before concluding that stereotypes need to be aired out in the open in order to promote women's advancement, we examined whether stereotype reactance is a universal tendency for all women or more limited in its scope. We suspected that the tendency to react would be influenced by women's beliefs about the determinants of negotiating success. Specifically, we expected negotiators' beliefs about the innateness of negotiating ability would affect how they respond to messages endorsing gender stereotypes.

In general, adopting the belief that negotiating ability is malleable and determined primarily by hard work and persistence is more adaptive than adopting the belief that negotiating ability is a fixed trait that people are either born with or not.²³ Negotiators who adopt malleable beliefs are more effective at creating and claiming value and in learning new negotiation concepts than those people with fixed beliefs. Connecting these beliefs to gender stereotypes revealed another benefit of adopting malleable beliefs: women who believe that negotiating ability comes down to hard work and perseverance are more likely to exhibit stereotype reactance in the face of messages suggesting men and women innately differ than women who believe good negotiators are born that way. Buying into the message that some people are endowed with valuable traits that cannot easily be developed has a de-motivating effect on individuals presumed to lack what it takes to succeed. In contrast, rejecting the message that innate characteristics drive behavior, whether determined by gender or other stable personality traits, provides a buffer against negative stereotypes that enables them to act confidently.

However, since simply reversing the effects of stereotyping does not create a level playing field, we sought to determine whether altering the beliefs that negotiators have about gender and negotiating effectiveness would result in relative equality in performance. To do this, we drew on our knowledge of a powerful psychological mechanism for reducing conflict between groups: focusing disputants on common, higher-order identities.²⁴ For example, two departments on a university campus that are in conflict over scarce resources will generally show more restraint when their common identity as university members is emphasized compared to when they focus on their unique departmental identities.

We applied this cooperative principle to gender by building on the negotiation paradigm described previously. Prior to engaging in a mixed-gender negotiation, research participants were informed that effective negotiators are rational and assertive and demonstrate a regard for their own interests throughout the negotiation rather than being emotional and passive. A subgroup of the participants was also informed, *"The key difference in terms of who displays these skills is almost entirely determined by college education and professional aspirations. Simply put, people who are in competitive, academic environments, like you, do exceptionally*

well in the negotiations. This is true for men and women alike." Although gender was brought to mind, we explicitly rendered it irrelevant for determining negotiating effectiveness and instead directed negotiators' attention to assets that were commonly shared among our student population. As expected, female and male negotiators performed on par with each other once their commonalities had been emphasized.²⁵ In addition to dividing the pie relatively evenly, they also succeeded in creating more value by working together to identify issues in which they had differing priorities and making mutually beneficial trade-offs. By altering the set of beliefs negotiators brought with them to the bargaining table about the power of gender to predict success, we leveled the playing field and helped negotiators create more value.

The Interplay of Gender and Power

The research provides compelling evidence that gender stereotypes drive behavior between men and women in competitive contexts. By creating conditions that lead to, or eliminate, performance gaps favoring one gender over the other, a picture has been painted whereby the set of beliefs that negotiators bring with them to the bargaining table is the key determinant of how well they do. In essence, negotiators are either *empowered* or *disempowered* by the beliefs they carry with them and the beliefs that are circulating in their environment at any given time. Recognizing that stereotypes are merely mechanisms for affecting one's personal sense of power reduces their potency.

Power can be assessed both in terms of a legitimate ability to control resources as well as individuals' beliefs about their effectiveness at influencing others. Negotiators derive power from their ability to walk away from a deal because having an attractive back-up plan provides a legitimate basis for demanding more resources. For example, in an employment negotiation, the existence of an offer from a competitor virtually mandates that the prospective employer meet the terms of the offer if they hope to hire the prospective employee.

In a recent investigation of the relationship between the ability to walk away and gender, we observed men and women using this power advantage in a similar fashion.²⁶ When women had a relatively attractive alternative to a negotiated agreement, they outperformed men; when men had the relative power advantage of alternatives, they outperformed women. A critical reason, for women in particular, to establish multiple alternatives before entering negotiations is that it also protects them against stereotype threat. Without these alternatives, they can feel totally dependent on one party to achieve their negotiating goals and thus be unable to walk away from the table easily. Moreover, without alternatives, they are also more limited in their ability to react forcefully against the blatant endorsement of gender stereotypes.²⁷

Power is also derived from a personal sense of efficacy. Implicit beliefs about personal power impact negotiating effectiveness by affecting negotiators' confidence—how assertively they enter the negotiation; their willingness to hold

firm in the face of requests for concessions by their bargaining partner; and their comfort in disclosing information that enables win-win opportunities to be uncovered. Perceived power also elevates moods,²⁸ thereby enabling negotiators to resolve conflict in an amiable manner that also fosters relationships. In my research with Sebastien Brion, we observed that the more reasons negotiators identified for feeling powerful prior to attempting to settle a business dispute, the more it translated into attractive deals for themselves. This power advantage held true regardless of whether the sources of power they identified were verifiably accurate; what mattered was how powerful negotiators felt.

Perhaps not surprisingly, men tend to integrate power into their self-concepts with greater ease than women do.²⁹ With more widespread access to power in society, men's stronger association with power reflects a certain reality. However, in contrast to what would be expected according to a world driven by innate differences, providing women temporary access to power through the roles they served in an organizational simulation completely eliminated this perceived power differential. In addition, women who were randomly assigned to high-power roles in our simulation identified more with the concept of power than women who were randomly assigned to low-power roles. This research demonstrates that perceived power dynamically varies from situation to situation rather than being inherent to the individual and static across contexts. By developing access to alternatives in negotiations and actively fostering one's sense of power, perceived power disadvantages due to unflattering stereotypes can be mitigated.

Strategies for Leveling the Playing Field

The results of this research suggest three strategies that women and men alike can employ to improve their negotiation outcomes.

- *Do your homework.* Expert negotiators agree that the primary characteristic ascribed to effective negotiators is planning and preparation skill.³⁰ Rather than winging it, expert negotiators take the time up front to plan out a strategy and to set the negotiation parameters. By researching alternatives and gathering comparison data, critical information can be gained to help set appropriate opening offers that psychologically anchor the negotiation dialogue and outcomes.³¹ Having reliable knowledge about the marketplace enables negotiators to set optimistic opening offers without running the risk of offending their counterparts by making outrageous demands. In addition to researching the negotiation from one's own perspective, effective negotiators also put themselves in the shoes of their counterparts, assessing their likely alternatives and points of resistance. By taking the perspective of their counterpart up front, effective negotiators are able to construct offers and arguments that are mutually beneficial and, as a result, the degree of conflict and tension encountered at the bargaining table is reduced. Another critical aspect of the preparation process involves developing attractive alternatives to a negotiated agreement.

The ability to walk away from the table provides a point of leverage for negotiators regardless of their sex, effectively leveling the playing field.

- *Learn to love the game.* The fact that people are willing to invest more time and energy into activities that they find intrinsically enjoyable is intuitively obvious. While negotiating is an activity that some people find stressful, women report more aversion to the idea of negotiating than men do. In a recent survey of MBA students regarding the job negotiation process, women students were significantly more likely to report feeling anxiety, dread, and an absence of confidence at the start of a negotiation relative to their male peers.³² In the context of a salary negotiation that can affect years of future earnings, women also reported being more likely to breathe a sigh of relief when a recruiter agreed to the first figure they had put on the table than men did, whose reaction was more likely to involve regret. Although regret may sound like a less desirable reaction than relief, we know that the counterfactual process of thinking about how a negotiation might have unfolded more favorably, which tends to follow from feelings of regret, actually spurs negotiators to invest more in their future negotiation preparations,³³ thus promoting future success. A lack of enthusiasm reduces how committed negotiators are to a process that can vastly improve their lives.

How might people who cringe at the thought of negotiating learn to love the game? One idea is to rethink what they are trying to achieve in doing so. In research on implicit negotiation beliefs, those negotiators who held that negotiating ability is malleable achieved considerable success, primarily because they were more likely to approach a negotiation with the goal of learning something new. In contrast, those who believed that negotiating ability is fixed simply aimed to demonstrate to others that they had the “right stuff.” Even when they ran the risk of failure, negotiators who approached the task with the goal of learning persevered and ultimately prevailed whereas negotiators who approached the task with a performance goal withdrew as soon as their ability to prevail became questionable. Framing a negotiation as an opportunity for growth and learning may make it more palatable to people who would normally avoid it for fear of failure. Additionally, the greater success over time derived by the adoption of learning goals, positively reinforces the thought that negotiating is fun. Another intrapersonal tool for managing negative stereotypes is maintaining a sense of humor when encountering challenges in a stereotype-relevant domain because it reduces the anxiety that contributes to stereotype threat.³⁴ In general, taking conscious steps to psychologically embrace the negotiation process as a normal part of everyday life is likely to promote success.

- *Challenge beliefs and assumptions.* Our beliefs are incredibly powerful determinants of how well we do in negotiations, and yet often these beliefs exist below the threshold of our conscious awareness and thus go unexamined. The questions of *whether* gender differences exist and, if so, *why*

they exist, rarely surface. Deliberately assessing one's own beliefs and reinforcing supporting beliefs in the business, social, and political environments is an adaptive mechanism for building confidence and the motivation to succeed. Additionally, being aware of the stereotype threat phenomenon helps to reduce it.³⁵ If negotiators find themselves in a disadvantaged position as a result of the stereotype-based expectations of others, then working to regenerate the stereotype by focusing on its positive aspects or gathering the wherewithal to react against its negative implications can help to mollify the stereotype's harmful effects. Likewise, spending time up front identifying the common ground between negotiators that transcends stereotypes will lay the groundwork for the creation of mutually beneficial agreements. However, none of these positive consequences will occur on their own. Instead, developing a healthy vigilance toward questioning the veracity of taken-for-granted beliefs is critical for negotiating effectiveness.

Thank You, Larry Summers?

By researching the impact of gender stereotypes on performance in competitive contexts, the thorny implications of Larry Summers's remarks become apparent. On one hand, if Summers had not pronounced that innate differences limit women's ability to attain elite academic positions, Harvard would not likely have seen a woman rise to the top of its ranks. By diversifying the upper echelon of leadership in elite institutions, the academy's collective endeavors for progressive leadership and innovation are more likely to be achieved. Individual targets of negative stereotypes who are challenged to disprove the suggestion that they lack what it takes to succeed may actually experience performance gains as a result of this challenge.

On the other hand, focusing on inherent differences between men and women can produce an exaggerated divide that causes opportunities for mutual benefit to be overlooked. In addition, marshalling the courage to disprove harmful stereotypes requires an unshakable belief in the value of hard work and persistence for overcoming obstacles. It also requires the availability of multiple potential pathways for achieving one's goals. Over time, however, these pathways to success are likely to be eroded by repeated exposure to negative stereotypic messages, rendering the tale of Larry Summers a cautionary one indeed.

Notes

1. L.J. Kray and L. Babcock, "Gender in Negotiations: A Motivated Social Cognitive Analysis," in A. Kruglanski and J. Forgas, eds., *Frontiers in Social Psychology* (New York, NY: Psychology Press, 2005); L.J. Kray and L. Thompson, "Gender Stereotypes and Negotiation Performance: A Review of Theory and Research," in B. Staw and R. Kramer, eds., *Research in Organizational Behavior*, Volume 26 (Greenwich, CT: JAI Press, 2005), pp. 103-182.
2. L. Thompson, *The Mind and Heart of the Negotiator* (Upper Saddle River, NJ: Pearson Prentice-Hall, 2005).

3. A.E. Walters, A.F. Stuhlmacher, and L.L. Meyer, "Gender and Negotiator Competitiveness: A Meta-Analysis," *Organizational Behavior and Human Decision Processes*, 76/1 (October 1998): 1-29.
4. A.F. Stuhlmacher and A.E. Walters, "Gender Differences in Negotiation Outcome: A Meta-Analysis," *Personnel Psychology*, 52/3 (Autumn 1999): 653-677.
5. R.F. Martell, D.M. Lane, and C. Emrich, "Male-Female Differences: A Computer Simulation," *American Psychologist*, 51/2 (February 1996): 157-158.
6. J.A. Chatman, J.T. Polzer, S.G. Barsade, and M.A. Neale, "Being Different yet Feeling Similar: The Influence of Demographic Composition and Organizational Culture on Work Processes and Outcomes," *Administrative Science Quarterly*, 43/4 (December 1998): 749-780.
7. I.L. Janis, *Groupthink* (Boston, MA: Houghton Mifflin, 1982).
8. L.J. Kray and M. Gelfand, "Relief versus Regret: The Impact of Gender on Reactions to Having One's First Offer Accepted," manuscript under review, 2007.
9. I. Ayres and P. Siegelman, "Race and Gender Discrimination in Bargaining for a New Car," *American Economic Review*, 85/3 (June 1995): 304-321.
10. J.E. Williams and D.L. Best, *Measuring Sex Stereotypes: A Thirty Nation Study* (Beverly Hills, CA: Sage, 1982).
11. C.M. Steele, "A Threat in the Air: How Stereotypes Shape Intellectual Identity and Performance," *American Psychologist*, 52/6 (June 1997): 613-629.
12. R.P. Brown and R.A. Josephs, "A Burden of Proof: Stereotype Relevance and Gender Differences in Math Performance," *Journal of Personality and Social Psychology*, 76/2 (February 1999): 246-257.
13. L.J. Kray, L. Thompson, and A.D. Galinsky, "Battle of the Sexes: Gender Stereotype Confirmation and Reactance in Negotiations," *Journal of Personality and Social Psychology*, 80/6 (June 2001): 942-958.
14. L.J. Kray, A.D. Galinsky, and L. Thompson, "Reversing the Gender Gap in Negotiations: An Exploration of Stereotype Regeneration," *Organizational Behavior and Human Decision Processes*, 87/2 (March 2002): 386-410.
15. Kray, Galinsky, and Thompson, op. cit.
16. J.W. Brehm, *A Theory of Psychological Reactance* (New York, NY: Academic, 1966).
17. R.B. Ruback and D. Juieng, "Territorial Defense in Parking Lots: Retaliation against Waiting Drivers," *Journal of Applied Social Psychology*, 27/9 (May 1997): 821-834.
18. Kray, Thompson, and Galinsky, op. cit.
19. A.D. Galinsky and T. Mussweiler, "First Offers as Anchors: The Role of Perspective-Taking and Negotiator Focus," *Journal of Personality and Social Psychology*, 81/4 (October 2001): 657-669.
20. L.J. Kray, C. Locke, and M. Haselhuhn, "In the Words of Larry Summers: Gender Stereotype Endorsement and Negotiators' Implicit Beliefs in Mixed-Gender Negotiations," manuscript under review, 2007.
21. R.J. Robinson, D. Keltner, A. Ward, and L. Ross, "Actual versus Assumed Differences in Construal: 'Naive Realism' in Intergroup Perception and Conflict," *Journal of Personality and Social Psychology*, 68/3 (March 1995): 404-417.
22. L. Thompson and D. Hrebec, "Lose-Lose Agreements in Interdependent Decision Making," *Psychological Bulletin*, 120/3 (November 1996): 396-409.
23. L.J. Kray and M. Haselhuhn, "Implicit Negotiation Beliefs and Performance: Longitudinal and Experimental Evidence," *Journal of Personality and Social Psychology*, 93 (2007): 49-64.
24. R.M. Kramer and M.B. Brewer, "Effects of Group Identity on Resource Use in a Simulated Commons Dilemma," *Journal of Personality and Social Psychology*, 46/5 (May 1984): 1044-1057.
25. Kray, Thompson, and Galinsky, op. cit.
26. L.J. Kray, J. Reb, A.D. Galinsky, and L. Thompson, "Stereotype Reactance at the Bargaining Table: The Effect of Stereotype Activation and Power on Claiming and Creating Value," *Personality and Social Psychology Bulletin*, 30/4 (April 2004): 399-411.
27. Ibid.
28. C. Anderson, O.P. John, D. Keltner, and A.M. Kring, "Who Attains Social Status? Effects of Personality Traits and Physical Attractiveness in Social Groups," *Journal of Personality and Social Psychology*, 81/1 (July 2001): 116-132.
29. E.L. Haines and L.J. Kray, "Self-Power Associations: The Possession of Power Affects Women's Self-Concepts," *European Journal of Social Psychology*, 35/5 (September 2005): 643-662.

30. H. Raiffa, *The Art and Science of Negotiation* (Cambridge, MA: Belknap, 1982).
31. Galinsky and Mussweiler, op. cit.
32. Kray and Gelfand, op. cit.
33. A.D. Galinsky, V. Seiden, P.H. Kim, and V.H. Medvec, "The Dissatisfaction of Having Your First Offer Accepted: The Role of Counterfactual Thinking in Negotiations," *Personality and Social Psychology Bulletin*, 28/2 (February 2002): 271-283.
34. T.E. Ford, M.A. Ferguson, J.L. Brooks, and K.M. Hagadone, "Coping Sense of Humor Reduces Effects of Stereotype Threat on Women's Math Performance," *Personality and Social Psychology Bulletin*, 30/5 (2004): 643-653.
35. M. Johns, T. Schmader, and A. Martens, "Knowing is Half the Battle: Teaching Stereotype Threat as a Means of Improving Women's Math Performance," *Psychological Science*, 16 (2005): 175-190.

California Management Review

University of California F501 Haas School of Business #1900 Berkeley, CA 94720-1900
(510) 642-7159 fax: (510) 642-1318 e-mail: cmr@haas.berkeley.edu web site: cmr.berkeley.edu