

Learning to negotiate with a female touch

The best negotiators use an array of techniques, including what have been seen as traditionally female characteristics – so why do women still find it difficult to ask for a pay rise?

BY Horacio Falcão

For years, there has been a perception that women are worse negotiators than men. Indeed, compared with men women are, on average, paid less and occupy fewer leadership positions. Women have, on average, fewer or worse negotiation opportunities and conditions. Even in some studies in which women and men were given similar opportunities, women still had, on average, worse negotiated outcomes than men. Much circumstantial evidence indicates that women are worse negotiators than men, which creates the impression that to succeed women must emulate the aggressive, male-associated style.

As a possible consequence, some of the world's leading women seem to come from the tough-as-nails school of negotiation (Carly Fiorino, Condi Rice, Wu Yi). These and other success stories are partially responsible for some reduction in the gender salary gap and an increase in the number of women in leadership positions in the past decades. Unfortunately, said advances seem to have stalled in the past decade before women could reach equality with men in the business world.

However, progress did not stop altogether, but rather moved in a more subtle direction. The most recent research shows that women suffer more because they choose not to exploit the full female armoury. Indeed, the best negotiators of the modern workplace – whether men or women – are more likely to have a range of techniques, including being collaborative, nurturing and empathetic. In fact, the shift from male to female in the world of negotiation has been going on for years. The outlook, therefore, is improving for female managers and executives, and it is men who need to take a hard look at their own styles.

A more careful and rigorous look shows that women's negotiated results are more a consequence of learned gender behaviour rather than of genetic imprint. Women are good negotiators, just different from men. Indeed, women increasingly have the opportunity to be recognised as great negotiators. Despite all the gender adversities, women need only to focus on understanding and overcoming a few internal and external gender barriers to become even better negotiators. Women are surrounded from a very early age by three external gender negotiation barriers that have a direct impact on their negotiation abilities or outcomes: language, roles and stereotypes.

Words such as 'assertive', 'dominant', 'decisive', 'ambitious' and 'self-oriented', used to describe male-associated behaviour (or a behaviour associated with the male gender), are still used repeatedly to describe the positive qualities of good managers or negotiators. In contrast, words used to describe female-associated behaviour, such as 'warm', 'expressive', 'nurturing', 'emotional', and 'friendly', have not been used as much, but are becoming increasingly more popular.

As a consequence, people may have a harder time identifying good negotiating behaviour in a woman. Even when a woman negotiates successfully, assertive behaviour may be credited as the factors of success instead of her female-associated behaviour, such as listening and empathy; and her performance in a team with male peers, for example, may go unacknowledged and unrewarded. This language barrier can undermine women's confidence, their selection as key negotiators or the ability to prove their value if given a chance.

Women throughout life, much like men, are bombarded with numerous messages on their gender roles. Girls are supposed to

NEGOTIATING STYLES

There are reckoned to be broadly four main negotiating styles advocated by the Thomas Kilman Conflict Mode Instrument (TKI), a tool developed to measure an individual's response to conflict situations. Generally, the one you use is influenced by your personal style and training, and can shape the outcome you get, ranging from beating the other party to achieving goodwill. A fifth style is the refusal to negotiate at all: there are situations where negotiating can do more harm than good.

Competitive/aggressive

This is negotiation at its most Machiavellian: for one party to win, others must lose. Competitive negotiators play hard (and not always fair) and think only of the end result, which will be one party getting what they want and the other feeling hard done by. For this reason, many believe this style to be fine for a one-off deal, but less constructive if the outcome is part of a longer-term relationship. (Indeed, many experts advocate that the competitive approach is sub-optimal, even for one-off deals.)

Collaborative

While competitive negotiation almost always means a winner and a loser, the collaborative style emphasises working together in order to achieve a result that satisfies both parties. Whereas competitive negotiation is essentially a 'zero-sum game', collaborative negotiation assumes the total cake can be enlarged in order to keep everyone happy. However, if the other party is competitive, they may interpret the desire to collaborate as a sign of weakness.

Compromising

The compromising style is used when there is a recognition that you are unlikely to get all you want, and that a partly satisfactory agreement is preferable to none at all. It is also applicable when there are time constraints. Typically, both sides will concede points in turn, moving towards each other until agreement is reached.

Accommodating

Accommodation comes into play when one party is not particularly concerned about the result. It tends to be used when the desired outcome is not so much a win as the generation of goodwill and/or the building of a good working relationship.

be nice, caring and reserved, while boys are expected to be aggressive, individualistic and outgoing. They are also not supposed to use behaviour associated with the other gender. A boy that is nice, caring and reserved might be rejected just as much as an aggressive, individualist and outgoing girl.

Still, the limitations inherent to each gender role may not be necessarily even-handed. Children associate male roles as liberating and geared towards opportunities, while associating female roles as constraining and linked to obligations. While boys are expected to claim the spotlight, girls will not be equally rewarded for trying to call attention to themselves.

In the US, only 18% of TV major roles are female, which sends several gender messages such as that women should not take the lead roles at least as many times as men or that men are expected to gather the power and resources when these become available. Moreover, women are taught not to complain about it with statements such as 'good girls are nice'.

Male negotiators can adopt one of two different negotiation styles: positional (power-driven) or collaborative (relationship-driven). Female negotiators who attempt to use a positional style or try to be more assertive are seen as transgressing their gender role and face extreme pressure to conform. If women choose to be assertive, they need to add positive social 'softening' messages to contain said pressure, giving them less or harder negotiation style choices than men.

Stereotypes reinforce gender roles and make women feel they have to work harder to deserve the same as men, leading to a depressed sense of entitlement and disempowerment. The book

WOMEN'S NEGOTIATING STRENGTHS

- Ability to put themselves in their counterparties' shoes
- Comprehensive, attentive and detailed communication style
- Empathy that facilitates trust-building
- Curious and attentive listening
- Less competitive attitude
- Strong sense of fairness and ability to persuade
- Proactive risk manager
- Collaborative decision-making



PAT KINGSLEY

If you've ever wondered why most print interviews with Hollywood stars are rather banal – and rarely conducted by the magazine world's big-name interrogators – you have Pat Kingsley to thank. This unassuming North Carolina native is reckoned by many to be the most powerful woman in Hollywood. Quite simply, she rewrote the rules that

publicists, stars and editors play by.

As a publicist, her negotiating style is absolutely uncompromising – namely, she calls all the shots. She was the first of her ilk to demand cover stories, the first to dictate which writers and photographers could be used to profile her clients, and her firm allegedly keeps a blacklist of reporters and

publications that have fallen foul of her, refusing them further access to her stable. And as she controls access to many on Hollywood's A list, this is a potent threat. In 1992 when Kingsley started forcing journalists to agree to copy approval, staff from a number of publications including *Vanity Fair* tried to face her down to no avail.

Recently, however, there may be signs that things are starting to change. Tom Cruise left her in favour of his Scientologist sister and when she fired the former president of her company, Leslee Dart, the latter took some of Kingsley's clients with her. There is also a feeling that online media such as blogs may be nibbling at her absolute control of celebrity image.

But, for the moment, these are minor niggles and Kingsley remains the gatekeeper to most of Hollywood: if you want to interview one of her stars, you do it her way or not at all.

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Women Don't Ask by Babcock and Laschever describes several different studies, such as that many women believe they were bad at sciences or math despite consistently getting the best marks in their class. In a second study, when asked to work until they earned a cash amount, women worked and produced over 20% more than men. In another study, when a third party was present in the room, women worked even harder and asked for less money than before; men in the presence of a third party worked the same as before, but asked for more money.

Stereotypes create a serious threat as women eventually start to buy in to them with terrible consequences. In a study, when Asian-American women were asked about their gender before a science exam, they would fare significantly worse than another group of Asian-American women who were not asked the same question. The process of believing that women are not supposed to be good at science creates another level of anxiety that is proven to reduce productivity, thus creating a self-fulfilling prophecy.

Another impact of stereotype in negotiations happens as women ask for less and give away more. Men (and even some women) learned to give less and ask for more when negotiating with women, as well as to expect her to give more and ask for less. If a woman does not behave as expected, she will still face, on average, harder negotiation counterparties and may even run the risk that they will become angry and frustrated as she deviates from the stereotype.

Some of the negotiation challenges faced by women cannot be attributed to external causes, but rather to internal behav-

iours that decrease the potential for a higher negotiated outcome. There are mainly two internal gender negotiation challenges: negotiation as an exception and under lower expectations. For many women, salary is like a price on an item in a store – you just do not negotiate it. Twenty per cent of women never negotiate at all, salary or otherwise. Women will shy away from negotiation opportunities about twice as many times as men and give away twice as many opportunities to improve their own situation.

Additionally, women expect life to be fair, which leads to the belief that people should be fair and take care of one another. Not only do women try to be as reasonable as possible with their offers and demands, but they also are less likely to challenge the fairness of a demand or offer made to them. In the event that women perceive the offers and demands from the other side as unfair, they probably will not confront or negotiate it but walk away or accept what was offered. In both scenarios, women tend to regret their decision and feel bad or guilty. Women enter a negotiation more exposed, as they do not prepare as thoroughly for an unfair scenario.

After working in the same company for five years, An Zheng decided to leave after learning that she was earning 27% less than her peers. But her manager thought she was happy in the job and wanted a pay rise: “When I first made you an offer, you did not complain. You seemed happy with it. You want a rise?”

“No, it is not about that. I am happy with the job, but I agreed to the salary because I thought you were being fair. Now I know you weren't and I do not know if I want to keep working at a place that treats people unfairly.”

“I offered your colleagues the same amount as I did for you



CONDI RICE

Condoleeza Rice is widely reckoned to be the most powerful woman in the world – she is fourth in line for the presidency – and has attained her position thanks to her formidable intellect and skills as a negotiator.

Born in Alabama in 1954, she was a fellow at Stanford University’s Centre for International Security and Arms Control by the age of 26. When George Bush Sr was elected, she joined his national security council as Soviet advisor. In 1991 she returned to Stanford, becoming its first female provost two years later. She also sat on the boards of several corporations, including Chevron. In 2001, with the election of George W Bush, she was appointed national security advisor (NSA). Widely regarded as one of the

architects of Bush’s policies and a close confidante, she held this post until 2005 when she became secretary of state.

Since then, her list of diplomatic missions has been impressive. She has worked to ease Palestinian-Israeli relations; worked to stop North Korea’s nuclear programme and attempted to stop the Sudanese genocide. Interestingly, despite her boss’s sagging approval figures, Rice remains relatively well regarded and is often spoken of as a possible Republican presidential candidate. To be fair, it’s an unlikely scenario – albeit one that offers the delicious prospect of a choice between Condi and Hillary Clinton in 2008.

Rice’s negotiating style is considered cool, poised and intellectual. She thinks strategically and long term. Coit Blacker, one of her mentors at Stanford, who served as NSA in the Clinton administration, has described her as possessing “an intellectual agility mixed with velvet-glove forcefulness”.



Women face resistance when expressing assertive or aggressive behaviour, but men also do not receive respect for showing what could be perceived as emotional or weak behaviour



and as they asked me for more, I gave them more. If you had told me that my offer was too low, I would have tried to increase it as well. You know how negotiations go. At least, think about it for a while before making a decision.”

“I will think about it.” An Zheng gave away numerous chances to negotiate her salary under the assumption that she was being fairly treated. Once she found out she earned less, her disappointment was such that she failed to see that her situation was partly due to her own inertia.

The lower sense of entitlement, the sense of fairness, the willingness to avoid conflict and the attempt to be nice result in women setting less ambitious goals and asking fewer questions. It is not uncommon to hear women justify lower negotiated salaries, for example, with low-expectation statements, such as: “I already have enough money. I do not need or work for the money. My husband is the provider”. Accordingly, women negotiate lower outcomes and salaries than men. This difference in negotiated outcomes is more extreme the more ambiguous the boundaries of the negotiation are.

Another reason women ask for less is rooted on how people gather information. When preparing for a negotiation, people research within their social network, which tends to be gender-biased (men know more men and women know more women). Consequently, men will get information on higher salaries from other men, whereas women will ask other women who have lower salaries comparatively than men. The asking point for women will already be anchored lower than that for men.

To overcome internal and external negotiation gender obstacles and improve negotiated outcomes, women should strive to: reduce external and internal uncertainty; play to their strengths;

and manage labels to their advantage. Women generate worse negotiated outcomes than men in ambiguous, uncertain or unknown negotiation boundaries. When women are informed on standards and previous outcomes, they obtain similar outcomes to men. Hence, women should research standards and previous outcomes exhaustively to avoid a gender bias. Bringing standards of fairness helps focus the negotiation on what is fair independently of gender.

Women can also increase their ability to claim value by asking for help to set more aggressive goals, which are important in obtaining higher negotiated outcomes. In asking for help, women will be shaping their asking price grounded on realistic expectations. Reducing the anxiety of asking questions can greatly increase women’s ability to negotiate better outcomes, thus preparing and role-playing asking questions and anticipating other performance obstacles can allow women to generate productive strategies to handle uncertain and anxiety-producing situations.

For example, in a study by Bowles, Babcock and McGinn, when women negotiated on behalf of someone else, they obtained average outcomes 16% higher than men. When representing others, women avoid the male-associated self-promotional behavior to concentrate on their sense of responsibility to get the best possible deal for others.

Women seem to face great resistance when expressing assertive or aggressive behaviour, but men also do not receive



YULIA TYMOSHENKO

Yulia Tymoshenko is celebrated as much for her beauty and startling hairstyle as her status in Ukraine. Her rise to the top of her country's Byzantine political system is a testament to a negotiator who has proved fluid, flexible and tenacious. In the heady days of the 1990s, her husband became one of Ukraine's oligarchs, and between 1990

and 1998 she sat on the boards of several companies. During this time, she was nicknamed 'the gas princess'.

In 1996, Tymoshenko was elected a representative of the Kirovohrad *oblast* (region) with more than 90% of the vote. Two years later, she became the chair of the budget committee of the Ukrainian parliament and, between 1999 and 2000 she was the

deputy prime minister for fuel in the government of Viktor Yushchenko. Sacked by his successor Leonid Kuchma and arrested shortly afterwards, Tymoshenko claimed the charges were fabricated by oligarchs whose corrupt businesses she threatened.

After the charges were dropped, Tymoshenko led a grass-roots campaign against Kuchma for his alleged role in the murder of a journalist. In late 2004, she was one of the leaders of the Orange revolution that toppled Kuchma's regime. A grateful Yushchenko made her prime minister and she once again started her campaign against the oligarchs, this time working to renationalise industries that had been sold off. The move resulted in much criticism at home and abroad, and, last September she was sacked.

But Tymoshenko is nothing if not persistent. As *World Business* went to press, she was making a bid for her old job, after the recent Ukrainian elections resulted in a coalition government.



Women are good at being curious, asking questions and listening. They can focus on asking open and diagnostic questions, which are less confrontational and an excellent tool to build relationships



respect for showing what could be perceived as emotional or weak behaviour. Each gender role has its own limitations. Instead of fighting to break away, women can challenge their gender role boundaries from within by playing to the strengths of several skills commonly associated with women and by inventing consistent yet new ways for generating better negotiated outcomes. Women are good at being genuinely curious, asking questions and listening, but usually fear the risk of confrontation. They can focus on asking open and diagnostic questions, which are less confrontational and an excellent tool to build relationships.

Each person is multifaceted and hence carries several labels. When Asian-American women were asked about their race instead of gender, their performance in the quantitative reasoning test went up. The same women when asked about gender before sitting for an English exam performed better than when asked about race. This demonstrates that no label is bad *per se*, but rather carries negative or positive stereotypes that can be triggered with different consequences or purposes.

A woman aware of all her labels can use them to generate a positive scenario (woman are better at languages) or to counteract the surfacing of a negative one (Asian-Americans are better at sciences). A woman can use labels to manage positive stereotypes, create a favourable negotiation environment and develop higher empathy or even power.

When Aisha was called in to rescue a relationship with an angry client, she took advantage of her gender label to create a

non-threatening environment to listen to and understand the client's complaints. A couple of months later in a big negotiation, the discussion quickly became a battle over valuations. Aisha, the only woman in the room, found herself being constantly interrupted and not listened to until she convinced her counterparties to take a break. During the break, she raised the topic of previous experiences and, after listening to the others, she mentioned her 10 years of investment banking experience. Once back in the negotiation, she was interrupted less and more requests for her views and ideas were made.

Women and men have different negotiation strengths and weaknesses. Women are better at creating value in a negotiation, but still struggle to find their own way to capture more of that value for themselves. Men may be better able to capture value, but may do so at a higher social cost and risk breaking down the negotiation altogether. Women are not worse negotiators, but their weakness may have a potentially stronger negative impact on the final outcome.

Women are digging further into gender negotiation obstacles and learning how to overcome them. As a result, they may soon surpass men in terms of negotiated outcomes as most men do not pay attention to the impact of gender in a negotiation. In addition, female-associated behaviour such as listening, nurturing, mentoring, inclusiveness, collaboration, facilitation, motivation, persuasion and fairness are increasingly being recognised as fundamental traits of modern and successful negotiators, independent of their gender. ■

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WU YI

Wu Yi is the most powerful woman in the People's Republic of China and is currently one of the four vice premiers on the State Council. Famed for being direct and straight talking, she is sometimes known as 'the iron lady of China'. (She is also notable for being a woman who doesn't dye her hair surrounded by male colleagues who do.)

Wu joined the communist party in 1962 and much of her early career was spent working in the petroleum industry, where she rose to positions of both corporate and political power. She was

elected deputy mayor of Beijing in 1988 and first showed her negotiating prowess publicly when she persuaded coal workers not to strike during the Tiananmen Square Protests.

In 2001, she helped negotiate China's entry into the World Trade Organisation and added minister for health to her job portfolio, replacing Zhang Wenkang, who was sacked over the Sars cover-up. Wu, by contrast, won plaudits for her leadership during the crisis, with *Time* magazine dubbing her 'the goddess of transparency'.

Most recently, Wu has helped China deal with textile manufacturers hit by the lifting of quotas, and proved herself a diplomat by negotiating treaties with China's neighbours.



Christine Walker



Danielle Stewart

TWO SIDES OF THE FEMALE NEGOTIATING STYLE

That's the best way to reach a good deal? Take the tough, direct route espoused by Christine Walker, founder of Walker Media? Or employ the holistic, almost spiritual, approach developed by Danielle Stewart, an accountant by training and now at Vantis Business Advisers? Both women consistently produce great results with their own radically different styles.

Walker is something of a legend for her success in negotiations. She launched her company in 1988 as a 50/50 joint venture between herself and partner Phil Georgiadis, and M&C Saatchi, with starter clients that included Dixons Stores Group. It now boasts 50 customers, among them Dyson, Weetabix and Coca Cola Enterprises, and has billings in excess of £230 million. In 2004, M&C Saatchi took a controlling interest worth £18 million, enabling Walker to realise a £6 million windfall.

Walker, also former chief executive of Zenith Media, believes stamina is a characteristic of good negotiators and prides herself in never giving up. She believes women are more likely to show dogged determination than men, who often lack the patience. "I don't lose attention to detail; I just keep going till I get the right deal. People who say 'I walked away from the negotiation table' with some pride score no brownie points with me."

She loathes the trend for bringing large numbers of people to meetings. "These people who don't have the power or knowledge to do the deal - it becomes a chat show." She prefers to eyeball her quarry one to one, or with a maximum of two on each side. That way you keep clarity and focus, she says.

It helps to have Walker's reputation: people know that even if she drives a hard bargain, she'll deliver. She's not afraid of fierce arguments: "You can't be a good negotiator

if you need to be liked. I don't care... I have had real rucks with people in the past and gone on to do good business with them later."

Both Walker and Stewart believe an essential ingredient for success is preparation to really understand what makes the other side tick, and both use logic rather than emotion in making their cases. Apart from that, their methods diverge wildly.

Stewart says: "I enter every negotiation intent on getting the best possible outcome for all parties." She focuses on creating a positive environment, ensuring both her words and body language are as conducive as possible to helping everyone relax: "After a while, you see people uncross their arms and legs, become calmer and ready to do business."

Stewart knows her clients but often not the other side. This means she has to use her intuition to work out what's at stake for each person in the room, financially and emotionally. "We all have intuition," she says, "but most of us under-use it." Her aim by the end of every meeting is to have, as far as possible, a basis of broad agreement on which to work.

In her view, people who bluster and try bullying tactics rarely get what they are after. "They make it clear that they're out for the maximum - but they create negativity, which is not conducive to doing good deals. People who act from a position of anger tend to provoke angry reactions in response."

Both Stewart's and Walker's highly individual approaches to negotiating clearly work, but I certainly know which woman I'd rather find myself opposite when it comes to doing a deal.

Miranda Kennett is *Management Today's* First-Class Coach