



**Savage
Macbeth**

Gender Difference and Negotiation Performance

**A study investigating recent
research into the impact of gender
on negotiating performance**

November 2022





The scribe

16+
years
experience

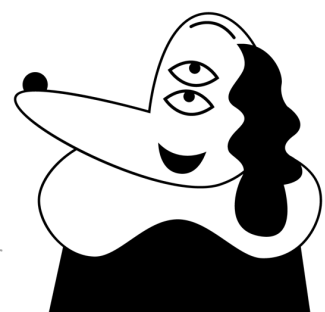
5000
people trained

20
countries

Sam Macbeth is Chief Negotiation Officer & Conflict Coach at Savage Macbeth. He is MBA qualified, a certified Coach and an EI Practitioner. Sam has 16+ years of commercial conflict and negotiation experience, having trained 5000+ people in 20 countries across three continents.



Originally a senior manager in manufacturing, engineering and the environmental side of oil and gas, Sam managed regional teams for nearly 10 years, engaging with blue chip oil and gas companies, leading a number of successful £multi-million World Bank tenders and turn-key projects. He has negotiated commercial deals in more than 20 countries including C-suite level across Europe, Russia, Middle East and Asia – saving mangrove swamps and glacial tundra along the way.





Gender difference and negotiation performance

We make suggestions about how some of these effects can be mitigated

Negotiation is sometimes seen as a dark art or even in some circles a (somewhat less than) precise science. Add in other factors and it becomes even more complex, some people seem to have a natural gift, whereas others tend to have to work harder. The debate as to who excels – men or women, is one that persists.

The purpose of this article is to explore recent research into gender differences in the comparative performance of male and female negotiators together with the results from Savage Macbeth's own research.

We examine specific areas where women's performance is deemed to be lower and compare these with analyses from Savage Macbeth's own research – our Negotiation Skills Assessment (NSA).

Using our own anecdotal evidence, we have sought to determine the efficacy of the claims made and any causal relationships between the different factors involved.

In light of the results, we also make suggestions about how some of these effects can be mitigated going forward.





The research

Three studies are examined in detail here, relating to scientifically conducted negotiation exercises conducted in 'dyads' (i.e., between one party and a counterpart). It is important to note that although the research experiments and the Savage Macbeth NSA both have good sample sizes; to make the data comparable, some generalisations have been made. These may not always reflect the behaviour and views of individuals within their own set of personal

circumstances and context of their discussions.

Research conducted within the past three years has indicated that whilst negotiation ability between men and women is comparable, there are circumstances (and situations) where female negotiating performance is lower than that of their male counterparts.

These areas relate to:

- The desire to initiate a negotiation
- The allocation of power and how it affects male and female negotiating performance
- Whether there is a 'backlash' effect against women who are assertive within their negotiations





Initiating negotiations and expectations

Negotiation is one way of resolving conflict. There are many other ways available, some of which can potentially add more value to a resultant outcome.

Simply put, negotiating is the process by which an imbalance that exists between two or more parties is resolved through the act of trading value between the parties in one of two ways. Either in a 'distributive' way which divides up a fixed size of pie – the aim of which is to secure a bigger slice of said pie; or in an 'integrative' way which can include several new or different opportunities, therefore increasing the size of the overall pie and the then respective 'slices' of it. Of these two approaches, the latter

– An integrative approach tends to lend itself to greater collaboration. Negotiation is also something we do within ourselves (no counterpart required), where our internal conflicts impact upon our decision making.

People will tend to initiate a negotiation if certain criteria are met against a specific set of circumstances. The instigator firstly needs to recognise that a potential opportunity exists. In a simplistic sense, when one party disagrees with a suggestion, idea or proposition, this presents an opportunity to resolve the issue by different (or combined) conflict resolution methods - including negotiation.

If the opportunity is deemed important enough, the individual may then consider if:

- There is a good chance of achieving at least a satisfactory outcome by means of negotiation
- They have the requisite skills and ability to achieve their desired result

Negotiating is the process by which an imbalance that exists between two or more parties is resolved through the act of trading value between the parties





Masculine vs feminine

In 2020, experiments conducted by researchers Reif, Kugler and Brodbeck, confirmed the view that 'men have a higher propensity to negotiate than women'. One theory offered suggests that the role of a 'negotiator' is more consistent and naturally aligned with a typical masculine gender role rather than a feminine one ^[1].

and feminine being communal and cooperative.

Interestingly, this theory is inconsistent with the findings from the Savage Macbeth Negotiation Assessment Skills survey (NSA). We'll outline how our results differ over the next few pages.

The research goes on to define the difference more specifically in gender roles with masculine being more assertive and competitive,

Masculine = assertive and competitive

Feminine = communal and cooperative





Negotiation Skills Assessment

The Savage Macbeth Negotiation Skills Assessment (NSA) asks respondents how strongly they agree or disagree with a number of competency-based statements.

Statements relative to results of other research studies mentioned here are included in this study. The first statement asks respondents about commercial conflict:

I find the prospect of commercial conflict unsettling

Interestingly, in responding to this question, both male and female levels of agreement were exactly the same – 58% of both sexes found conflict always or mostly unsettling.

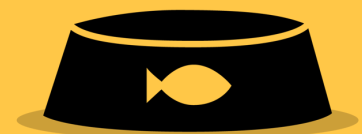
when there is a
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When asking this question, we did not set a context and/or background that framed the nature of the statement. So, the suggestion is, that without other external factors present, men and women are equally likely to choose to engage in a negotiation.

Other research suggests that expectancy can be a major factor in determining whether to initiate a negotiation [2]. Expectancy is seen as a proxy for the level of confidence and belief an individual possesses in their own ability to perform effectively in a task [3].

Higher degrees of expectancy (or confidence) have been shown as a factor which can positively influence negotiation results [4,5,6,7].

Studies have also found that when a potential negotiation was framed in a feminine, rather than masculine way (i.e., cooperative), there was no appreciable difference between men and women in terms of the negotiation expectancies and initiation levels [8]. In other words, when there is a 'feminine' setting men and women do equally well.





Negotiating power

Both genders have an equal perception of their own lower levels of power

One important factor to consider when deciding to initiate a negotiation is the assessment of the balance of power - between the instigator and their counterpart. This can either be within the context of the specific negotiation issues or the alternative options available, otherwise known as BATNA (Best Alternative to a Negotiated Agreement). Best practice would suggest a continuous review of power during the planning and engagement phases of the negotiating process

in light of positions/approaches adopted and/or new information disclosed.

Savage Macbeth's anecdotal observational evidence (from watching thousands of negotiating scenarios) suggests that individuals can sometimes underestimate the power they have; whilst overestimating the power their counterpart possesses.

The second statement from the Negotiation Skills Assessment (NSA), concerns power:

It's natural for me to perceive I have less power than the other side

Interestingly again, the answers to this are an exact match for the sexes. 28% of men and women always agree with this statement, suggesting that both genders have an equal perception of their own lower levels of power.





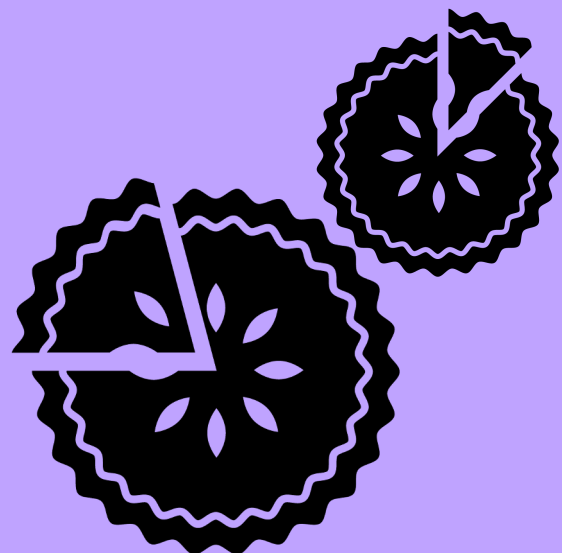
The power influence

A study of male/male, female/female and male/female dyads by Zulauf and Wagner in 2019, examined the impact of gender difference when a person met one of the criteria of possessing normal, high or low levels of negotiating power within retailer and manufacturer related scenarios.

Results found that power played a large part in these negotiations. Instead of improving mutual gains and using integrative (collaborative) negotiation strategies, subjects relied on their power in both the high and low power scenarios. The negative result was that this subsequently decreased any potential gains they could have otherwise made.

From Savage Macbeth anecdotal evidence, if one party (or both parties) 'perceives' that the other party has substantially more power, this will increase the chances of a competitive negotiation.

Insights into gender-based negotiating behaviour from a 2006 study, suggest that women 'tend to make the first proposal and use early relational strategies ^[9], whereas two other studies highlight that men expect better results and start with more extreme offers' ^[10,11].





When (and how) to pitch

Whilst our research agrees that men are more likely to make the first offer, more than half of women would also take this approach

A third Savage Macbeth NSA statement on proposals does not completely agree with the first part of these findings:

I prefer to let the other side make the first proposal so that I can respond

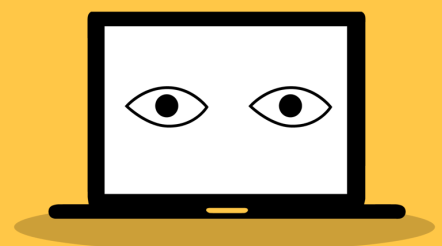
From the NSA, 60% of men and 55% of women disagreed with this statement, implying that men (and women) are more likely to make the first proposal. So, whilst our research agrees that men are more likely to make the first proposal, more than half of women would also take this approach.

Investigating whether men are likely to start their negotiation with more extreme offers, we examined the results of our fourth NSA statement:

I pitch high to enable me to maintain my planned objectives

Men were slightly more likely than women to pitch their first proposal high (60% vs 57%), so no real material difference in the results. Interestingly, women were also slightly more realistic about the chances of their proposal being rejected. Whilst this may be seen as a more pragmatic response, it could also imply that women have a slightly lower level of confidence.

Another observation from the third party research studied was, that in negotiations with an imbalance of power, female/female and female/male groups both achieved far smaller gains in comparison with the male/male groups.





Women's use of power

Women were found to have performed worse in groups where they had low power – suggesting that they do not utilise their supposed cooperativeness positively to achieve more efficient results.

The implication is that women tend to avoid the burden of additional bargaining by using their power instead. A 2007 study found that women tend to choose a 'tit for tat' strategy, due to their lower behavioural affinity for the typical attributes of a negotiation ^[12]. In this context, tit for tat is where one party responds in a similar and equally retaliatory way to the instigating party. Interestingly women in the same study used this type of response in

unbalanced power scenarios (regardless of who held the higher power), even knowing beforehand about the negative consequences of these actions.

One implication is that this behaviour can be attributed to the higher levels of reciprocity associated with the more communal feminine gender role. ^[13,14] The dictionary definition of reciprocity is to 'exchange things with others for mutual benefit'. Whilst tit for tat can possibly be an equal and mutual exchange, it's unlikely to be to anyone's long term benefit.

Women were found to have performed worse in groups where they had low power



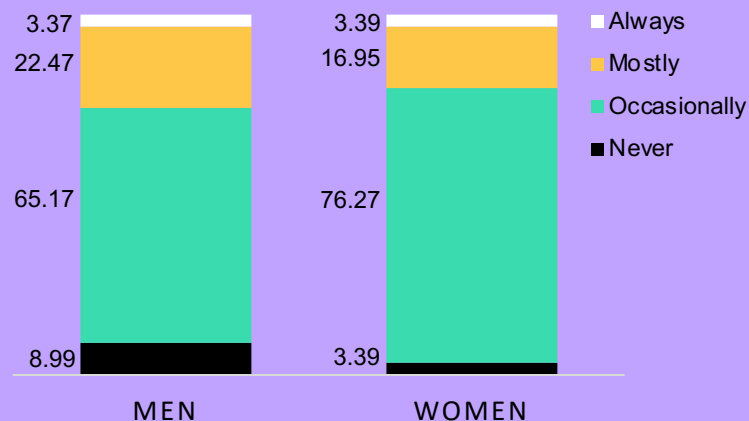


Concessions

The fifth statement posed in the Savage Macbeth NSA concerns concessions:

I try to avoid making concessions

Men agreed with this statement more than female respondents. Concessions are an important trading currency during negotiation so by actively avoiding making them, higher value outcomes can be diminished and/or there is a higher potential for deadlock.



By increasing your level of 'compromise', you can appear more flexible, this in turn may reduce the chances of an impasse or stalemate. In contrast, a party with less flexibility may be more likely to rely on power (which can initiate the possible 'tit for tat' situation).





Planning

The sixth NSA statement investigates the planning ability of the respondents:

I have a Plan A, B and C available

The results of this statement found women are around 9% more likely to agree with this than men (women 46%, men 42% for 'always' having a backup plan), suggesting that they plan more effectively for different scenarios.

If an individual experiences pushback of their proposals and perceives that they have a lack of negotiating options, it may encourage them to seek resolution through the use of power rather than alternative conflict resolution skills.

Savage Macbeth's results suggest that women are more flexible and more likely to accept concessions. These are skills that would be expected (in most circumstances) to reduce deadlock rather than increase it. This is at odds with the results presented from other research studies referenced in this article.

In general, a negotiator may feel that if they have enough power they can focus solely on their own self-interest ^[15]. With a high level of power, they may believe there is no need to trade concessions and show flexibility, compounding their rigid focus. In the Savage Macbeth NSA findings, as women scored more highly both in making concessions and in flexibility, it would appear that they may be using power in their negotiations instead, possibly due to their lower levels of confidence rather than lower levels of skill.

Women are more flexible and more likely to accept concessions





Backlash effect

The actions of a counterpart can influence behaviour and perhaps even provide further explanation for women's lower performance levels.

When a power imbalance exists, it can impact on a negotiator affecting the internal choices they make. This then ignites one possible theory for the lower levels of performance a female negotiator makes. This is a simplistic view though, as it may not always be due to the actions of only one party.

The actions of the negotiator can influence the behaviour of their counterpart and perhaps provide further explanation for women's lower individual performance levels.

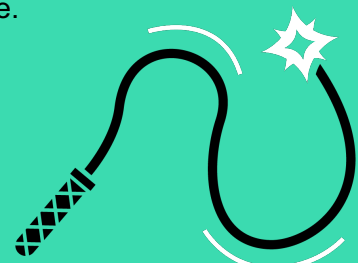
Some research suggests that women are willing to negotiate assertively, and often do so. This is also borne out by the NSA data relating to women making the first proposal, and a significant number pitching high. When women behave assertively in negotiations, it is not always well-received and they can suffer backlash from both male and female counterparts as a result ^[16].

The level of assertiveness shown by any negotiator in these circumstances can be derived from several different factors:

- The personality of the individual
- Their own level of experience
- The strength of the alternatives (BATNA) that they possess

Research has explored different examples of assertive behaviour exhibited within negotiations. As discussed above, 'first proposals' are a powerful driver of negotiation outcomes ^[18] and higher first proposals represent a more assertive (and sometimes an acrimonious) start to a negotiation ^[19,20].

These can therefore provide a good test of whether men and women differ in their assertiveness when empowered with a strong alternative.





Women feel
more
comfortable
negotiating on
behalf of
someone else
rather than for
themselves

As previously noted, the information in the Savage Macbeth NSA sets men and women roughly equal when it comes to making the first proposal. In the absence of a negotiating context, this supports the belief that the actual abilities of the sexes are comparable.

It is also worth noting that the strength of the alternatives that negotiators possess can lead them to set more ambitious targets and perform better in negotiations ^[17].

Another observation is that women feel more comfortable negotiating on behalf of someone else rather than for themselves. By doing so, it is thought that their behaviour is more consistent with the communal feminine gender role rather than the more masculine competitive self-interest ^[21].





Women and backlash

Assertive behaviour may lead female negotiators facing greater backlash from their counterparts. In two studies, assertive women were rated as less likable and less appropriate for leadership roles than men who behaved in the same way ^[22].

The backlash theory is supported by a study from Dannals, Zlatev, Halevy & Neale in 2020 with a sample of 35.46% women. In this negotiating exercise 2,552 individuals from culturally diverse backgrounds were tested against several hypotheses, including the backlash effect for proposals made by both men and women.

The results show that both male-female and female-female dyads had significantly higher rates of

impasse when both parties had a strong alternative in comparison to male-male dyads. Women were found to consistently underperform compared to similarly empowered male negotiators.

This further supports the view that it is the impact of female assertive behaviour on counterparts (either male or female) which is more likely to result in poorer outcomes or impasses. It appears that men utilising the same levels of assertive behaviour are not subjected to the same reactions. The upshot is that whilst a female may be skilled in negotiating, if she is overly assertive, there is less likelihood of the deal being as successful as she may anticipate.

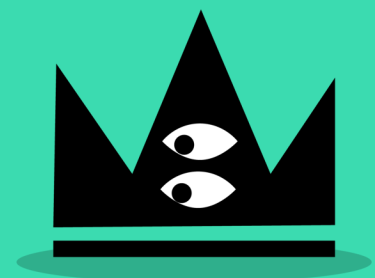




Strategies for improving performance

There are strategies which can help to mitigate some of these potential difficulties. The skill level of women is not in question, more the external factors playing out when they negotiate.

- If possible, position the 'framing' of the negotiation in a cooperative/collaborative light, to highlight the positives and the opportunities that it may present.
- Maximise options. Options are highly desirable, both in terms of having a flexible strategy to achieve an objective, and when delivering proposals: offering the other party a chance to either buy in or (at the very least) indicate a preference, which could be explored with a more integrative approach by both parties.
- Consider the disclosure of information which may illustrate the opportunities to increase value for both sides i.e., trying to move from a distributive (wanting a bigger slice of the same pie) to an integrative (increase the size of the pie) negotiating approach.
- Objectively assess the balance of power – who has power and how much? Consider the possible impacts of disclosing potential sanctions and threats relating to the power balance.
- Accept that negotiation is a trading process and as such trading concessions is a necessary part of the process. Prepare these in advance and use them within proposals so that parties are more focused on creating value.





Summary

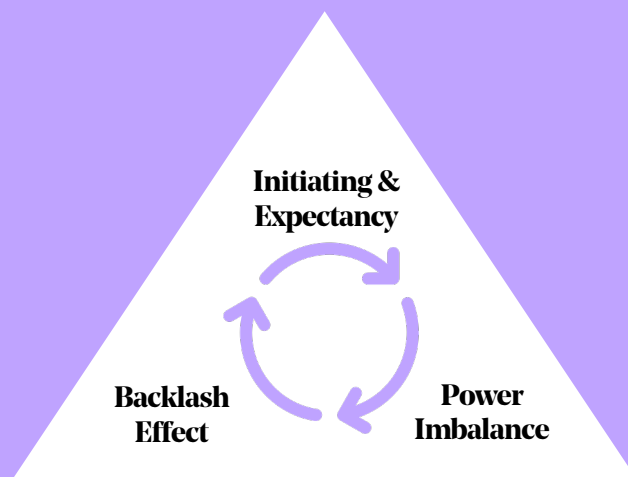
The three issues could have a causal effect upon each other when women enter into a negotiation

The following three issues have been identified as impacting on the negotiating performance of women:

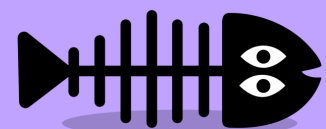
- 🐟 The likelihood of initiating a negotiation
- 🐟 The imbalance of power
- 🐟 The backlash effect

Whilst these are all independent influencing factors, our suggestion is that the three issues could have a causal effect upon one another when women enter into a negotiation. The effects can be shown in the Savage Macbeth IPB cycle model below:

IPB Cycle

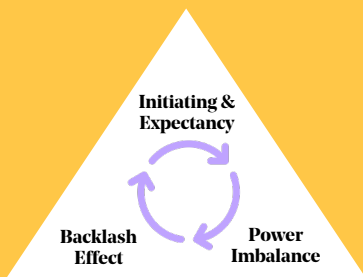


The IPB cycle demonstrates how these factors are interlinked and how one experience can create further activity in another area of (sometimes unwanted) behaviour. Further explanation is provided on the next page.





The IPB cycle



Negotiating in these circumstances could tempt women to rely more on their negotiating power rather than on their negotiating ability

If impending negotiations are framed as potentially 'competitive', women may find their levels of confidence reduced. This is because confidence is linked to higher levels of satisfactory outcomes.

Negotiating in these circumstances could tempt women to rely more on their negotiating power rather than on their negotiating ability. This reliance can sometimes result in their behaviour being viewed as overly assertive. This in turn can trigger the backlash effect (of course naturally assertive behaviour may also have the same effect).

Women who experience this may conclude that a 'competitive' impasse (or lower level of outcome values) is consistent with their own incompatibility with a 'masculine' approach to negotiating. As a result, they would be less likely to initiate future negotiations of this kind.

The danger is that this chain of

events becomes cyclical and a self-fulfilling prophecy (*perceived competitive negotiations are viewed 'masculine', lowering female expectations, increasing a reliance on power, creating perceived over assertiveness, resulting in less satisfactory outcomes reconfirming that this is due to 'competitively' viewed negotiations, etc.*).

Most of the literature we have reviewed agrees that male and female negotiating ability is comparable. The differences in performance appear to arise in specific circumstances i.e., role and negotiating behaviour, ambiguity/ power, imbalance/backlash effect.

To summarise, if the potential negotiation is perceived as 'competitive', and/or there is a high-power differential between the two parties, *plus* the counterpart reacts to female assertive behaviour, then a difference in performance is more likely.





A bit about Savage Macbeth

Our mission is to ensure that people get into the right mindset - not fearing conflict, but actively leveraging and exploiting it

Savage Macbeth specialises in commercial conflict resolution - helping people and organisations achieve better deals and strengthen their business relationships in the changed world we live in.

Our mission is to ensure that people get into the right mindset - not fearing conflict, but actively leveraging and exploiting it.

Our methodology and approach means we mentor people to maximise their knowledge, help them to develop their own critical traits and coach the application of their outputs to ensure a measurable change in performance.

If you or your team need more in-depth training on commercial conflict resolution or negotiation excellence, consider attending one of our [Negotiation Excellence Programmes](#) or invest in dedicated one-company training.

We also have useful and practical insights to help navigate commercial conflict. [Sign up to receive our occasional updates.](#)

For more information on our training, coaching and consultancy, visit savagemacbeth.com.

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