Decision Processes Colloquia

Monday, September 11th Where: JMHH G50 Zoom: <u>https://upenn.zoom.us/j/96528402682</u>

When: 12:00 – 1:20 pm

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Now, Women Do Ask: A Call to Update Beliefs about the Gender Pay Gap

ABSTRACT:

The notion that gender income inequality is due to women's lower propensity to negotiate permeates both the scientific literature and popular culture. This paper compares people's estimations of gender differences in negotiation propensity with empirical data from MBA students and alumni from a top U.S. business school. We find that women report negotiating salary more (not less) than men, and this pattern also emerges from meta-analytic data on the initiation of salary negotiations. We find that men reported negotiating their salaries more often than women prior to the twenty-first century, but since then, the trend has reversed. We then explore the consequences of this outdated belief that negotiating propensity explains the gender pay gap, finding that the belief causes greater gender stereotyping and is associated with both greater system-justification and weaker support for legislation addressing pay equity. The present research highlights the importance of updating an outdated belief about women's negotiating propensity because it may be impeding support for policies designed to promote pay equity

