

## RESEARCH REPORT

## Bargaining While Black: The Role of Race in Salary Negotiations

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The influence of race in negotiations has remained relatively underexplored. Across three studies, we theorize and find that Black job seekers are expected to negotiate less than their White counterparts and are penalized in negotiations with lower salary outcomes when this expectation is violated; especially when they negotiate with an evaluator who is more racially biased (i.e., higher in social dominance orientation). Specifically, on the basis of the prescriptive stereotype held by those higher in racial bias—that Black (as compared to White) negotiators deserve lower salaries—we predicted that Black negotiators who behave in counterstereotypical ways encounter greater resistance and more unfavorable outcomes from more biased evaluators. We tested this argument in a stepwise fashion: In Study 1, we found that more biased evaluators expect Black job seekers to negotiate less as compared to White job seekers. When Black negotiators violate those expectations, evaluators award them lower starting salaries (Study 2), which appears to occur because evaluators become more resistant to making concessions to Black than to White job seekers (Study 3). Collectively, our findings demonstrate that racially biased perceptual distortions can be used to justify the provision of smaller monetary awards for Black job seekers in negotiations.

*Keywords:* diversity in the workplace, racial differences, negotiation, salary

A racial wage gap in the United States persists (e.g., Green & Ferber, 2005). In 2016, for instance, the Pew Research Center<sup>1</sup> reported that college-educated Black men earned roughly 80% the hourly wages of college-educated White men (\$25 vs. \$32). Research on this phenomenon explains this disparity by focusing mainly on the experiences of Black job seekers. Scholars have found that Black, as compared to White, men tend to perceive greater economic insecurity (Dominitz & Manski, 1997), expect lower starting salary offers (Avery, 2003; Gasser, Flint, & Tan,

2000), and lack access to social ties that could favorably influence their job prospects (Seidel, Polzer, & Stewart, 2000). The hiring process, however, extends beyond the singular perspective of the job seeker. It includes interpersonal exchanges between job seekers and job evaluators that often involve negotiations. Yet, current understanding of the role of the organizational representative (i.e., the job evaluator) in Black–White bargaining contexts remains underdeveloped. For instance, do job evaluators have different expectations of Black versus White job seekers? Moreover, how and why might these expectations create worse outcomes for Black versus White job seekers during salary negotiations?

Based on racial stereotypes that characterize Blacks as lazy, incompetent, or poor (e.g., Devine, 1989; Devine & Elliot, 1995; Krueger, 1996; Plous & Williams, 1995), job evaluators might anticipate Black job seekers to be less qualified and, therefore, expect less pay relative to White job seekers. In a similar vein, Ayres and Siegelman (1995) found that new car dealers often made inferences using the buyer's race to formulate their offers; specifically, sellers offered significantly higher prices to Black, as compared to White, buyers. Their data, however, did not provide a clear explanation for why sellers' race-stereotypic expectations

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<sup>1</sup> <http://www.pewresearch.org/fact-tank/2016/07/01/racial-gender-wage-gaps-persist-in-u-s-despite-some-progress/>