

# Negotiating Tactics Play Role in Gender Pay Gap

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By

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Estimates of the pay gap between men and women vary, along with speculation about the causes behind the difference. [A new paper](#) by Andreas Liebbrandt of Monash University in Australia and John List of the University of Chicago says salary negotiation has a lot to do with it.

The pay gap was 23% in 2011, according to [the Institute for Women's Policy Research in Washington](#). That means that for every \$1 made by men working full-time, women earned 77 cents.

Messrs. Liebbrandt and List based their findings on almost 2,500 job-seekers responding to 18 different online want-ads for administrative assistant positions in nine cities. They found that when the issue of salary remained ambiguous, male applicants were far more likely to negotiate than women. However, when it was explicit that the salary for the position could be negotiated, women "really follow the rules," Mr. List said. "When they're told they can negotiate, they negotiate like mad."

The female job applicants tended to shy away from job openings where rules on salary negotiation were ambiguous, while their male counterparts "embraced it," Mr. List said.

The findings could help narrow the pay gap, he added, because it appears that "if all employers say that wages are negotiable, more women will apply and more women will negotiate... All else being equal, that has to lower the pay gap."

[A report published in October](#) by the American Association of University Women, "Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation," found a pay gap between men and women as early as one year out of college. The study's authors cited women's willingness and ability to negotiate salary as a possible factor behind their lower levels of pay. The researchers found that, based on 2009 data, among full-time workers who had graduated from college in the previous year, women earned on average 82% of what men did.

The authors attributed some of that difference to individuals' choice of majors and sectors of the economy in which individuals worked. However, men continued to out-earn their female counterparts, by about 7%, even when graduating from the same school, choosing the same major and working in the same occupation.

Gender discrimination as well as “a gender difference in willingness and ability to negotiate salary,” may both be playing a role, the AAUW study’s authors wrote. “Negotiating a salary can make a difference in earnings, and men are more likely than women to negotiate their salaries.”