

The Importance of Leadership and Salary Negotiation in Breaking through the Glass Ceiling

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My Background



- Northern Illinois University
 - BS in HR Management; MBA
- University of Iowa
 - PhD in Management & Organizations (OB/HR)
- 12th year at UNI
- 10 years in Human Resources (Chicago and Denver)
 - Majority of experience in staffing and training
 - Corporate and Consulting
- Teaching / Research
- Student Orgs / Ethics Chair

Leadership

- "Leadership has to be one of the most difficult, at times frustrating, yet rewarding and fulfilling roles a person can have in life. It is not only a privilege, but one of the highest callings a person can have. Whether you are leading a country, a company, or two employees in the mailroom, the chance to motivate, inspire, and serve others is truly thrilling. Leadership is a journey and one that requires consistent attention."
 - James Robbins



- Leadership is a process whereby an individual influences others to achieve a common goal.
- Leadership, more than anything else, is about the way we think.
- It's about practicing personal accountability and choosing to make a positive contribution, no matter what our role or level.
- If we think like leaders, we are leaders.
- Influence and inspire ... not coerce and manipulate.

What is effective leadership?

- Think of an effective leader with whom you've worked.
 - What did the leader do?
 - What did s/he accomplish?
 - How was the leader influential?
 - What qualities or characteristics did the leader possess?
 - What would you emulate?



4 Traits You Need to be a Great Leader

- Character – mental and moral qualities distinct to an individual
- Credibility – capability of being trusted
- Integrity – having strong moral principles
- Vision – seeing what others cannot see



Myths about Leadership

- Leaders are born, not made
- Leadership is hierarchical and you need to hold a formal position (status and power) to be considered a leader
- You have to have charisma to be an effective leader
- There is one best way of leading
- It is impossible to be a manager and a leader at the same time
- You only need to have common sense to be an effective leader



Warren Bennis

- Leaders create an environment where:
 - People feel significant
 - Learning and competence matter
 - People are part of a community
 - Work-life is exciting



Discovering the Leader in You

Robert Lee & Sara King

- A Framework for Examining Your Leadership Role
 - Vision – personal and leadership
 - Values – are visions based on your core values?
 - Self-Awareness – personal qualities that support your role as a leader
 - Balance – between leadership and personal life
 - Changing Context and Demands



Starting Questions

- How much of your life today is about leadership?
- Do you see yourself as a leader?
- Do you have goals to be future managers and leaders?
- Do the benefits of leadership outweigh the costs?
- Who around you currently depends on you for inspiration, guidance, direction, or other aspects of leadership?



Quote

- "A boss has the title. A leader has the people."
 - Simon Sinek, *Together is Better*



Self-Reflection

- In order to know yourself, you must self-reflect.
- In order to lead and make a difference, you must self-reflect.
- Overall reflection – What are my values? What do I stand for? What is my purpose? What really matters? What kind of person do I want to be? How would I react if told I only have 3 days to live?



Ideas for Daily Self-Reflection

- What did I say I would do today?
- What did I actually do today?
- What am I proud of?
- What am I not proud of?
- How did I treat people?
- How did I lead people?
- How did I make a difference?
- If I could live today over, what would I change?
- What did I learn today that will impact how I lead, interact, and live in the future?



Discussion Questions

- How do you define vision?
- Where does vision come from?
- Do you have a clear vision for your personal life and professional life? Do they align well or are there contradictions?
- Where do you want to be in 5 years? 10?
- Can group members be working toward different goals / visions and still be effective?



My Personal Vision Statement Steps

- What do I want to be known for?
- If there was one thing I would like people to remember me for, what would that be?
- When I retire, what would I like my most important accomplishment to be?
- What should my obituary say?



Values

- Foundation for attitudes and personal preferences
- Basis for important life decisions
- Help to define morality and ethics
- Stable and enduring characteristics (partially heritable)



Personal Values

- Terminal Values: desirable ends or goals for the individual; lifelong goals; personal commitments we make to ourselves in relation to our life's goals.
- Instrumental Values: desirable standards of conduct for attaining an end; how we live our lives; behaviors that help people achieve lifelong goals; preferred behaviors or ways of achieving our terminal values.



Common Terminal Values

- Self-respect
- Equality
- Freedom
- Recognition
- Wisdom
- Exciting life
- Happiness
- Sense of accomplishment
- True friendship
- Love
- Family security



Common Instrumental Values

- Logical
- Capable
- Ambition
- Creativity
- Courageous
- Independent
- Intellectual
- Helpful
- Polite
- Forgiving
- Responsible
- Honest
- Integrity



Discussion Questions

- What are your strengths?
- What do you see as the key advantages of focusing on one's strengths as a leader? Drawbacks?
- People are often hesitant to talk about strengths. Does this apply to leaders?
- Aside from changing group members, what should leaders do if their team lacks key strengths?
- What about weaknesses?



Finding Strengths

- What do people regularly compliment you on?
- What activities do you do that lead to positive feedback?
- What attributes do you have that are fairly unique?

Finding Weaknesses

- What tasks or situations most frustrate you?
- What tasks or situations lead you to frustrate others?
- What tasks do you hate?
- When do you most lack confidence?
- What do other people see as your weaknesses (ask them and tell them to be truthful)?



Insights for Your Future as Leaders

1. Lead by example
2. Remember that respect is earned
3. Protect your reputation
4. People watch you – all the time
5. Be there ... and answer the call to lead in every aspect of life
6. Act with courage ... do with confidence
7. Have a conviction (drive, determination, tenacity, resiliency, etc.)
8. Communicate, communicate, communicate
9. Be open ... listen with intent
10. Build a great team and inspire others



Insights for Your Future as Leaders (cont.)

11. Don't try to be the smartest person
12. Let go
13. Stay humble
14. Never stop learning
15. Learn to be patient

And take breaks from time to time to recharge your batteries.



Leaving Your Leadership Legacy

- Passion
 - Integrity
 - Vision
 - Service
 - Humility
- “You must get comfortable with being uncomfortable because fear kills more dreams than failure ever will.”
 - Chris Dessi



Salary Negotiations Comfort Level

- How many are comfortable with the thought of negotiating your salary? Why or why not?
- What gives you anxiety about negotiating your salary and/or benefits?
- How often should you try to negotiate your salary?



What is salary negotiation?

- The process of reaching an agreement on what the organization will pay for your skills, knowledge, and experience.
- It is in both the organization's and your best interest to come to a mutually beneficial agreement.
- They're not out to get you. They are interested in you but you're not the only concern they have.



Employment Negotiations

- The fear of "leaving money on the table"
- **The reasons many people do not negotiate salary:**
 - They will think I am greedy
 - I'll appear too aggressive
 - They won't like me and will decide not to hire me
 - I don't have any basis for asking for more
 - I don't have a BATNA
- The importance of finding objective criteria to support your salary request.
- The value of a BATNA and the possibility of improving your BATNA via another job offer.



Why negotiate?

- As new college graduates, Person A and Person B both receive job offers of \$50,000
- Person A accepts the job offer, while Person B negotiates and gets an extra \$5,000
- If both get the same percentage increases over the course of the careers, Person B will make nearly \$600,000 more than Person A by the time they both retire ... just from that one initial salary negotiation



Factors to Consider

- Business Climate
 - State of the economy and industry
 - Overall unemployment rate; demand for industry and profession
- Company Factors
 - Profitability
 - Position in business cycle
- Hiring Manager Factors
 - Urgency of need to fill position
 - Decision-making authority
 - Staffing budget
- Applicant Factors
 - Expertise, knowledge, skill set
 - Level of competition / availability of other candidates
 - Other job offers you may possess give you leverage



SHRM Survey

- 80% of recruiters were willing to negotiate salary and benefits with job applicants.
- Only 33% of applicants tried to negotiate any part of the job offer.
- On average, recruiters spend only about 15 seconds reviewing a resume and know after 60 seconds whether they will offer someone a job.



Males vs Females in Salary Negotiations

- Males are much more willing to try negotiating for a higher salary.
- Studies show that males feel they have to advocate for themselves, while females believe the organization will eventually reward them if they do a good job.
- 85% of males feel comfortable measuring their worth in dollars; 83% of women are uncomfortable doing so.
- 70% of males believe they are entitled to more than others, but 71% of women believe they are entitled to the same as others.



More Gender Differences

- Research of new graduates by Babcock between 2003-2007 showed that 57% of men tried to negotiate salaries as compared to only 7% of women.
- Students who did negotiate improved salaries by 7.4%
- Women worry a lot about violating social expectations they are warm and kind. They do much better if negotiating on behalf of someone else.



More Gender Differences

- 2018 research (de Janasz & Cabrera) suggests that 20% of females NEVER once try to negotiate salaries during their lifetimes.
- Average negotiation for new hires now approximately \$7,000 ... missing that results in losing between \$650,000 - \$1 million over a 45-year career.
- Keys for females: prepare fully, cultivate positive emotions, boost emotional intelligence, and negotiate a package



Is the Glass Ceiling Shrinking?

- 2021: Employment Data:
 - White women earned 82 cents for every dollar a man earns
 - Black women earned 63 cents
 - Latina women earned 55 cents
- Average raise for males in 2019 was 3.4%
- Average raise for females in 2019 was 1.4%



CEO Pay

- Female CEOs are paid more than male CEOs in Fortune 500 companies
 - Median salary of \$13.8 million for females vs \$11.6 million for males



CEO Pay

- Female CEOs are paid more than male CEOs in Fortune 500 companies
 - Median salary of \$13.8 million for females vs \$11.6 million for males
- But ...
 - Women make up only about 14.8% of CEOs running those firms (74 of 500 as of 5/1/2022 ... up from 41 on 9/1/2021)



Handling “the Question” – What salary are you looking for?

- **Delay if you can** -- “Salary is really number three or four on my list of priorities at this time” or “It’s more important that I have job security and like the corporate culture” or “I would really like to hear more about the company before we talk salary.”
- **Open or flexible or negotiable or competitive** -- depending on the position and overall compensation package
- **Give a salary range** (usually a \$5,000-10,000 range; or use “mid,” “low” or “high”); this range must be realistic so do research ahead of time; offering a range shows you are flexible.



Big Picture

- Don't bring up salary in the interview ... let the employer do that.
- When asked to provide salary requirement, giving a number too high may get you screened out; giving a number too low likely reduces your job offer amount.
- In terms of salary history, explain that as a student, your jobs were geared toward gaining experience and making money to cover educational expenses.
- "Money is important to me but it is not the most important thing. I'm confident that if we both agree the job's a good fit for me, we can reach an agreement."



Market Research

- ▶ Do your homework to know your worth -- know what you want and how it compares with certain objective criteria/norms -- e.g., the "market rate" or "market value" of the job.
 - ▶ Research salaries in your field via salary surveys, talk to others in the field, network with professional associations, look at other job ads
 - ▶ www.salary.com, www.homefair.com's salary or relocation calculators, Bureau of Labor Statistics (<http://stats.bls.gov>), Occupational Outlook Handbook (<http://stats.bls.gov/oco/>), www.glassdoor.com, www.payscale.com, www.CBSalary.com, www.collegegrad.com
 - ▶ On the organization as well ... know all you can about them (reputation, size, growth potential, products, locations) so you can discuss how you will benefit the organization ... you may also learn about their pay patterns.
 - ▶ www.jobvent.com, www.jobbite.com, www.careerbliss.com
 - ▶ <http://www.youtube.com/watch?v=leDrGJ1hhFo>



When to negotiate ...

- After a job offer ... but before you have accepted the position.
- The only reason to negotiate is to get fair market value ... don't talk about how much money you need (for bills, student loans, house payments, etc.). They need to believe you deserve it.
- Remember that different companies have different thoughts on negotiations.
- Don't focus only on the outcomes (salary), but focus also on the importance of the future relationship.



What should I negotiate?

- A 10% "rule of thumb" -- an initial salary offer may be 10% under what the employer can do
- Know what it is you are looking for (priorities) and know the minimum amount you will accept.
- Look for tradeoffs if salary is "non-negotiable" (bonuses, tuition, student loans, tuition reimbursement, relocation costs, PTO, benefits, insurance, supplemental insurance, stock options, location, transportation, delayed start date, expedited first review, profit sharing, retirement (401k), typical work hours, flexible scheduling, telecommuting, training dollars or time, special travel requests, advancement opportunities, club memberships, child care, elder care, wellness programs, gym membership, dry cleaning, technology, etc.)



Starting the conversation

- "Thanks for the offer. I'm very interested in the position and excited about joining the company, but I do have some concerns about the compensation package."
- "I appreciate your offer and have thought it over carefully. Although you offered me X, I was expecting Y per year. I've researched similar positions in similar companies and have found that to be the market range."
- Talk about the salary you deserve ... how you will earn the money you're asking for ... how you will create value for the organization.
- Don't ask for something without explaining why. You wouldn't want them to say no without a reason.
- Highlight your skills, qualifications, and experiences ... and discuss the market research you have done.



Do's and Don'ts

- ▶ Consider the whole compensation package ... not just the base salary. Likewise, negotiate multiple interests simultaneously. It helps reduce the risks that concessions won't be reciprocated. Signal priorities and don't nibble.
- ▶ Avoid framing things in terms of "ultimatums." You make it easier for them to back down later.
- ▶ Don't be afraid to "walk away", but don't burn bridges. If turning it down, be polite and communicate that you appreciate their interest.



Do's and Don'ts

- ▶ Be prepared for exploding offers. Sometimes you need more time. Be considerate when asking.
- ▶ Be pleasantly persistent when asking for non-salary items ... if they can't meet them, may give you more money instead. Make them want to fight for you.
- ▶ What is not negotiable today may be negotiable tomorrow.
- ▶ <http://www.youtube.com/watch?v=1sNR1OWE5Mo>



Do's and Don'ts (cont.)

- Sometimes rejecting an offer will bring you a better offer ... or just remaining quiet may get them to increase the offer.
 - Be careful with this approach though.
- Know when to stop negotiating.
- Stop interviewing once you accept an offer (do not try to create a bidding war).
- <http://www.youtube.com/watch?v=pcmCdpP80>



Negotiating a Raise or Promotion

- Set a career development meeting with your supervisor
- Prepare your pitch for why you've earned a raise
 - Specific accomplishments
 - Recent increases in responsibility
 - Savings or revenue increases you've brought to the organization
 - Awards, recognition, certifications, or education you've earned or completed
 - Other successes or value you've brought to the organization
- Make your pitch – what you're worth and why



Negotiating a Raise or Promotion

- Top reasons for raises in 2019:
 - Performance, retention, COL, compliance, tenure, market adjustment, internal pay inequities, hot skills, merger / acquisition
- 70% of employees who asked for a raise in 2019 received one
- 39% of those who asked got the amount they requested



Common Mistakes in Salary Negotiations

- Not knowing worth of yourself or the position (not conducting salary research)
- Lying about past salary history or other offers
 - <https://www.stprnks.com/articles/The-Professor-Make-Up-464218272.html>
- Failing to be realistic
- Using email to negotiate salary
- Not getting the offer in writing
- Being too quick to accept an offer
- Playing "hard to get" when you have no leverage



Before Accepting a Job Offer

- Clarify specific duties and responsibilities
- Clarify performance expectations for the first year
- Evaluate full compensation package
- Ask how performance will be reviewed, evaluated, and compensated
- Accept offer verbally
- Have offer presented in writing within 2-3 days
- Follow up acceptance with a thank you letter that confirms title, salary, and start date



Q&A

- Salary negotiations, resumes, cover letters, interviews, job search strategies???
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