Job Offer Negotiations:

A Focused Research Approach

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Abstract

Researchers and employers are typically united in their beliefs that human capital is critical to organizational success and that effective hiring is vitally important. Acquiring and keeping talented employees often requires engaging in negotiation of compensation and of terms of job offers. However, the academic negotiation literature has focused very little on compensation and job offer negotiations. In an attempt to provide guidance for such empirical research, we (a) summarize what is currently known through empirical evidence about job offer and compensation negotiations, and (b) present a research strategy to guide empirical investigations of compensation and job offer negotiations.

Keywords: job offer negotiation; compensation negotiation
Compensation and job offer negotiations are frequent workplace events. They occur for commonplace professionals such as nurses (Wray, 2002), scientists (Eberle, 2013), and chemical engineers (Karlson, 2001) as well as the not-so-commonplace. For example, the voice actors for Bart and Homer Simpson negotiate their compensation with the Fox Broadcasting Company (Raftery, 2015). Despite the frequency with which compensation and job offer negotiations take place, almost no empirical research exists that describes, models, or predicts the nature of those specific negotiations. For example, when textbooks on negotiation (e.g., Thompson, 2015) discuss job offer negotiations, they cite almost no research that specifically addresses negotiations in that particular context.

This conclusion is supported by a study that examined research methods employed in negotiation studies between 1965 and 2004 (Buelens, Van De Woestyne, Mestdagh, & Bouckenooge, 2008). The authors found that, in those 40 years, less than 3% of negotiation studies were field studies. Of 76 studies that specifically referenced compensation and job offer negotiations, 88% were laboratory experiments or experimental simulations. As evidenced by the many frequent articles on compensation and job offer negotiations in professional journals (e.g., Clay, 2015; Feuerstein, 2008; Herman, 2008; Sambuco et al., 2013), people are interested in better understanding this topic. However, at the present, empirical research does not seem to be leading the way in providing that understanding.

There is certainly precedent in the literature for sub-dividing negotiation theory and research. The journal, International Negotiation: A Journal of Theory and Practice, holds that diplomatic negotiations and multi-lateral trade agreements—to name a few examples—are sufficiently unique to merit being studied and addressed separately. Noesner (2010) asserts that
the goals of hostage negotiations are dramatically different from straightforward deal-making in business, indicating a benefit to studying that segment of negotiation separately from other segments. We assert that the specific domain of job offer negotiations is also a unique segment that would benefit from focused research.

The primary purposes of this essay are (a) to summarize what is currently known through empirical research about job offer and compensation negotiations and (b) to provide a research strategy for empirical studies of compensation and job offer negotiations. We begin by conducting a systematic search for empirical findings in the literature.

Method

We used the Buelens et al. (2008) article as a starting point. Buelens and colleagues analyzed 941 peer-reviewed articles they identified through a PsycINFO search of articles related to negotiation between 1965 and 2004. Accounting for multiple-study articles, these 941 articles included 1108 studies. Of these 1108, 76 referenced salary or job offer negotiations.

We requested a list of these 76 salary and job offer negotiation studies in order to determine if the articles specifically discussed behaviors or outcomes of job offer or compensation negotiations, or if the articles simply used a job offer or compensation negotiation context to investigate other aspects of negotiation. There are many articles (e.g., Polzer & Neale, 1995) that use a job offer or compensation negotiation scenario as part of a study; however, the intent of the study is to explore a general issue in negotiation, not specifically focused on job offers or salary negotiations per se.

Two coders independently analyzed the 76 studies from Buelens et al. (2008). If the study discussed specific elements of job offer or salary negotiations in either the introduction, the literature review, or the discussion/conclusion of the study, the coders classified the article as
being a contribution to the salary/job offer negotiation literature. However, if the study made no reference to job offers or salary negotiations in those sections, and simply used a job offer/salary context to address other research questions, the coders did not classify this as a specific contribution to increased understanding of job offer or salary negotiations. The coders had high inter-rater reliability. In their initial independent assessments, they agreed on their classifications of 89% of the studies; upon discussion, they were able to reach consensus on all 76 articles.

Between 1965 and 2004, only nine empirical studies identified by Buelens et al. specifically focused on salary or job offer negotiations, explicitly discussing this specific negotiation context.

We then used the same method to survey the field since 2004, looking for articles from 2005 to 2015 in the same database—PsycINFO. We followed Buelens et al. (2008) and searched articles using negotiate* or bargain* as keywords. We then refined that results list by searching and merging with the keywords job offer*, salary*, or pay*. This initial step resulted in a list of 433 articles. Of these 433 articles, the same two coders agreed (98% initial inter-rater agreement, resolving all differences by discussion) that only 26 empirical studies were applicable to job offer and/or salary negotiations. Many of the 433 articles used these descriptors in ways irrelevant to our focus (e.g., “It pays to shop for bargains…”). All 26 of these studies used a job offer or salary negotiation context; however, only 15 (86% initial inter-rater agreement, resolving all differences by discussion) discussed the job offer or salary negotiation context specifically in the introduction, review of literature, or discussion/conclusion. Thus, from 1965 to 2015, only 24 empirical studies (9 from Buelens et al. and 15 from our search) have contributed specifically to the job offer and compensation negotiation literature. The 24 studies are listed in Table 1.

Characterizing the 24 Studies
In terms of the sample type used, ten of the studies used business or MBA students, while three studies used psychology students and another study sampled recent university graduates. Thus, the majority of the studies focused on college students. Ten of the studies used samples of employees. The employee-based studies typically used a survey as the primary method of data collection, with the exception of three field studies.

One element that is missing from this set of studies is an investigation of continuing employees re-negotiating their compensation. In general, the sampling is skewed toward people who are initially entering the job market (or will be entering in the case of simulated job offers to student samples).

Summary of Empirical Findings

The empirical findings can be categorized into one of five content areas—gender differences, propensity to negotiate, negotiator perceptions and cognition, social ties, and individual differences other than gender. Within these categories, research has been focused on eight research questions. These questions are provided, accompanied with as conclusive a response as the literature yields.

Gender Differences

Studies regarding gender differences examine the differences in behaviors and outcomes between males and females when negotiating pay. It may not be that gender differences are the most important topic in job offer negotiations; however, it is the most prevalent in currently existing empirical studies.

Q1: Do men negotiate better job offers than women negotiate? Although “better” can have both objective and subjective elements (Curhan, Elfenbein, & Kilduff, 2009), evidence on this question has focused on negotiated salaries. It is well-documented that, on average, men
have higher salaries than women (e.g., Evers & Sieverding, 2014; Hegewisch & DuMonthier, 2016). Therefore, a logical research question is whether this difference emanates from the initial negotiated salary. Gerhart and Rynes (1991) and Stevens, Bavatta, and Gist (1993) found that men negotiated slightly higher starting salaries than women. Though the difference is fairly small, when compounded over time (e.g., 20 years), this discrepancy can add up to significant monetary differences (Babcock & Laschever, 2004; Gerhart & Rynes, 1991). Interestingly, Stevens et al. (1993) found that despite women having slightly higher scores on the tactical knowledge of negotiation skills, their salary aspirations were lower than men, which was reflected in their lower starting salary. In a study by Sarfaty et al. (2007), female academic medical faculty actually felt negotiation was less important to their career than men. Barron (2003) and Kaman and Hartel (1994) also found that men had higher salary aspirations than women, and, while women focused on their motivation, education, and experience in the salary negotiation, men were less likely to focus on self-worth but instead engaged in active negotiation and asked directly for the salary they desired. In a related vein, Bowles and Babcock (2012) found that the strategy women used to negotiate compensation influenced the negotiated outcomes.

Despite the multiple studies indicating there are gender differences in salary negotiations, other scholars have found no outcome differences between males and females when negotiating starting pay (O’Shea & Bush, 2002; Seidel, Polzer, & Stewart, 2000). Given the characteristics of studies reaching each conclusion, an answer remains unclear. Both of the studies finding no difference used a sample of individuals who were receiving actual rather than simulated job offers, perhaps giving more external validity to their findings. Of the studies finding a
difference, only the Gerhart and Rynes (1991) article studied actual (as opposed to simulated) job offers.

Three studies (Kray, Thompson, & Galinsky, 2001; McCormick & Morris, 2015; Tellhed & Björklund, 2010) have tested the possibility that stereotype threat can explain gender differences in salary negotiations. These studies find a statistically significant effect. Given that we are not aware of stereotype threat effects being documented outside of laboratory studies, the external validity of these findings remains unknown.

**Q2: Do women have less propensity to negotiate when receiving job offers than do men?**

There is some evidence that, in general, women have less propensity to negotiate than men (Small, Gelfand, Babcock, & Gettman, 2007). This effect was also found in a survey by Greig (2008) that specifically focused on job offer negotiations. In a large sample (N=2500) field experiment, Leibbrandt and List (2015) found that men were more likely than women to attempt to negotiate job offer when there was no cue that the offer was negotiable; however, that difference was not present when explicit cues were present that the offer was negotiable. Three other surveys—Crothers et al. (2010), Gerhart and Rynes (1991), and O’Shea and Bush (2002)—found no differences in men’s and women’s propensity to negotiate job offers. Thus, we cannot conclusively contribute gender-based pay disparities to propensity to negotiate job offers.

In summary, the most prevalent research questions regarding job offer and compensation negotiations have dealt with gender differences, and empirical studies have not been able to provide clear answers to those questions.

**Other Factors of Propensity to Negotiate Job Offers**

Although propensity for negotiation studies have primarily focused on gender, other antecedents have been proposed as well. The antecedents of propensity to negotiate (not
regarding job offers specifically) have been divided into two categories, individual and situational (Rubin & Brown, 1975). However, the research on each category has been relatively limited to date. We anticipate that multiple individual and situational antecedents impact propensity to negotiate, and there is an opportunity for more theory-driven research in this area. For example, Miles (2010) provides a model of antecedents to the decision to negotiate or not negotiate. Although Miles does not specifically address job offer negotiations, his model could be beneficial to consider specifically in that context.

Q3: What individual characteristics impact propensity to negotiate job offers? Some researchers have speculated regarding Rubin & Brown’s (1975) first category: individual differences in propensity to negotiate job offers. For example, O’Shea and Bush (2002) propose that extroversion and self-confidence are antecedents. Marks and Harold (2011) found that two individual differences are related to the choice to negotiate or not. Risk-aversion was associated with less likelihood of negotiating while integrative attitudes were associated with choice of negotiation strategy.

Q4: What situational elements impact propensity to negotiate job offers? The second category identified by Rubin and Brown (1975) is situational factors. O’Shea and Bush (2002) surveyed recent college graduates to tap potential situational factors that increase or suppress the likelihood of negotiating job offers. They found that when applicants were given an opportunity to discuss their salary needs, they perceived that opportunity as an invitation to negotiate.

Social Ties

Q5: Do social ties influence the process or outcomes of job offer negotiations? Seidel et al. (2000) investigated the relationship between social ties and negotiation behaviors and outcomes. Specifically, they proposed that the job candidate may have information that may
provide a negotiation advantage. For example, the job candidate may have a social tie who is a current employee of the prospective employer, and this current employee may be able to provide the candidate with salary information and the timeline for the company to fill the position.

Seidel et al. (2000) found that racial minorities were more likely to negotiate smaller salary increases than majority members; however, they also found that having a social tie to the organization significantly increased salary negotiation outcomes, but minorities were less likely to have such social ties.

Negotiator Perceptions and Cognition

**Q6: How do perceptions of justice and fairness in the negotiation of job offers influence job candidates?** Two studies addressed justice and fairness of both the recruitment process and the organization based on the initial salary negotiation. Results indicate that justice perceptions affect organizational attractiveness and intent to stay. More specifically, job candidates who receive low salary offers are likely to perceive the organization making the offer as less attractive, and are consequently less likely to accept a job offer from that organization (Porter, Conlon, & Barber, 2004). However, if a candidate perceives the interactional justice of the recruitment process to be high, he or she is more likely to accept employment if offered and stay with the organization longer after the negotiation (Ferguson, Moye, & Friedman, 2008).

More broadly than justice alone, results from Curhan et al. (2009) found that subjective value gained in the job offer negotiation (e.g., fairness of process, opportunity to maintain face) was a significant predictor of three important attitudes—job satisfaction, compensation satisfaction, and turnover intentions—when measured a full year after negotiating the job offer.

**Q7: How do number of options influence job candidates’ perceptions of the negotiation?** In a study by Naquin (2003), results revealed that the more options that are available to negotiate
in a job offer negotiation, the more counterfactual thinking the candidate experiences, resulting in lower satisfaction with the negotiation.

Individual Differences Other Than Gender

It seems quite plausible that many individual differences other than gender would influence salary or compensation negotiations. However only one—political skill—has been tested empirically.

Q8: Does political skill lead to greater success in salary negotiations? In a two-study article by Solga, Betz, Düsenberg, and Ostermann (2012), political skill was associated with greater success at negotiating salary increases. The effect was more evident in a lab study than in a field study.

Summary

The existing empirical literature specifically focused on job offer and compensation negotiations has addressed eight general research questions. Two of those questions—Q1 and Q2, the two related to gender differences—yield a pattern of conflicting, and therefore inconclusive, answers. Of the remaining questions, we conclude that Q5 (social ties) and Q7 (number of options) have relatively clear answers. In part, these two questions are extremely focused, making the ability to draw conclusive answers more attainable.

We characterize the results of the other questions—Q3 and Q4 (propensity), Q6 (perceptions of fairness), and Q8 (political skill)—as having some clear preliminary findings, but not a pattern that can be described as a well-rounded answer. Some of the research findings (e.g., Q4) can be described as almost random examples. By analogy, the full answer to those questions seems like a 500-piece jigsaw puzzle, and we have a few pieces of the puzzle. The
pieces, by themselves, are sufficiently clear, but are limited in their ability to help us visualize the image in the full 500-piece puzzle.

Our conclusion is that the domain of job offer and compensation negotiations is under-researched both from a theoretical perspective and from an empirical perspective. From a theoretical perspective, the research questions addressed are limited and have not been justified as the most important questions to address. From an empirical perspective, the answer to some research questions is based on a single study. For example, Q5 (social ties) is based on one study from a single company.

It is possible that, by replicating the method of Buelens et al. (2008), we failed to identify some existing studies that have addressed job offer negotiations. However, the general conclusion remains that job offer negotiations are under-researched, both empirically and theoretically.

What about the General Negotiation Literature?

We view the pattern found by Buelens et al. (2008)—3% of negotiation studies being field studies and 88% of studies addressing compensation and job offer negotiations being laboratory studies or experimental simulations—as being problematic. The primary issue is the question of how generalizable these results are to actual situations of negotiating such as job offers and compensation. A number of researchers (e.g., Barley, 1991; Bazerman, Curhan, Moore, & Valley, 2000; Miles & Schatten, 2015; Wall & Blum, 1991) have raised this question. This issue has two linked components—conceptual generalizability and external validity. We begin with a discussion of conceptual generalizability.

Conceptual Generalizability
Much of the empirical research in negotiation since 1980 has been dominated by a behavioral decision making perspective (Bazerman et al., 2000). One assumption of this perspective (Carnevale & De Dreu, 2005) is that context of negotiation is not central. For example, a negotiation exercise frequently used in empirical research for two decades is the “New Recruit” case (Neale, 2008). In this exercise, a recruiter and a job candidate are negotiating the terms of a job offer. However, the majority of those studies (e.g., Brett, Pinkley, & Jackofsky, 1996; Curhan & Overbeck, 2008) do not seem to have selected this particular exercise because their research questions are related to job offer interviews. Rather, they seem to implicitly follow the assumption that the domain and the roles (e.g., recruiter/job candidate versus buyer/seller) are not central because the negotiator behaviors are not uniquely context-specific.

A reasonable conclusion from the “not uniquely context-specific assumption” is that there is no need to study various types of negotiations separately. What one learns about negotiation using the “New Recruit” case is equally applicable to job offer negotiations as it is to international diplomacy or police hostage negotiations.

This assumption has been shown to have noteworthy exceptions that may be quite common in negotiation. For example, Burnham, McCabe, and Smith (2000) found that trustworthiness of counterpart was changed significantly simply by describing that person in instructions as “partner” versus “opponent.” Rettinger and Hastie (2001) conducted a study in which they held underlying subjective utilities constant while changing the context across four contrasting domains. They found that, although the values and probabilities were identical, strategies and outcomes were not. Miles and LaSalle (2008) constructed two contrasting negotiating scenarios (negotiating to hire a babysitter, negotiating to hire an alligator wrestler)
based on a single underlying structure of values and preferences. They found substantial
difference in ability to predict negotiation outcomes (as measured by the $R^2$ value in regression
models).

External Validity

The second key issue is that of external validity of empirical evidence. In an ideal world,
researchers would like to optimize both internal validity and external validity. However, the
reality of research design is that one is often traded for the other. The consensus among
researchers (e.g., Barley, 1991; Bazerman et al., 2000; Buelens et al., 2008; Miles & Schatten,
2015) seems to be that the negotiation literature over the past 50 years has focused more on a
desire to optimize internal validity. As phrased by Van Poucke and Buelens (2002, p. 74), “In
those studies, the trade-off between internal validity, external validity, and realism of context…is
settled to the advantage of internal validity.”

If we work from the “not uniquely context-specific assumption,” then this has been a
justified choice. Because there is often a choice to be made in research design between
optimizing internal validity and optimizing external validity, this assumption gives license to
focus on optimizing internal validity. However, if we interpret that this assumption cannot be
universally justified (e.g., Burnham et al., 2000; Miles & LaSalle, 2008; Rettinger & Hastie,
2001), then such an imbalance in giving modest attention to external validity is unwarranted.

Likewise, if the “not uniquely context-specific assumption” is questioned, then we must
also question the generalizability of findings. To what degree are empirical findings from
buying and selling generalizable to compensation and job offer negotiations or to international
diplomacy and hostage negotiations? To what degree are results from what are explicitly
designed to be context-free empirical negotiation studies generalizable to compensation and job offer negotiations or to international diplomacy and hostage negotiations?

We believe that a significant proportion of these findings from the “not uniquely context-specific” tradition is applicable to job offer and compensation negotiations. However, we also believe that some proportion is not applicable. Even if all were applicable, it still remains the due diligence of researchers to test that applicability. Another research domain within organizational behavior has already wrestled extensively with this due diligence regarding context-specific and context-free empirical studies. We believe that the negotiation literature can gain significant insight from considering what the literature from a somewhat related domain has to say about this same form of dilemma. That literature is the research domain of cross-cultural management.

Comparison to the Cross-Cultural Management Literature

Much of the empirical literature on management has been based on data from Western cultures (Tsui, 2004). The implicit assumption has been that management knowledge is context-free and that this knowledge applies universally. However, empirical findings based on Western cultures often do not replicate in other cultures, particularly Asian cultures. Tsui (2004) argues that a universal approach to management knowledge is often too ambitious and is often erroneous. She encourages more context-specific research for cultural studies.

Whetten (2002, p. 31) asserts that a critical task in cross-cultural research involves the interplay between context-free and contextualized knowledge: “Scholarship in our field should continuously assess the scope of our knowledge claims by both contextualizing general [context-free] knowledge and generalizing contextual knowledge” [italics in original text]. He goes on to
say that “This is the standard cross-cultural research modus operandi: testing the limits of the assumptions underlying established conceptualizations or research conclusions.”

In sum, Tsui (2004) and Whetten (2002) assert that management knowledge increases when researchers (a) test the contextual boundaries of knowledge that is implicitly assumed to be universal and (b) test whether knowledge that is documented in one context can be generalized across multiple contexts. As phrased by Whetten:

One of the most common developmental paths in the evolution of social science is the practice of relaxing assumptions underlying prevailing theories and research conclusions….All scholarly conceptions are grounded in implicit and/or taken-for-granted assumptions. Successful challenges of key, taken-for-granted conceptual and/or contextual conditions often produce important advances in scholarly knowledge, such as the introduction of moderating variables into existing conceptual models (2002, p. 29).

We assert that a clear parallel exists between cross-cultural management research and negotiation research. The traditional approach in negotiation literature has been to assume universal knowledge. However, consistent with Whetten, we hold that relaxing this assumption holds considerable promise for both theory-building and prediction. In sum, if more research is conducted that examines job offer negotiations specifically, this approach has the potential to help us in two ways. First, it will help determine the degree to which negotiation knowledge implicitly assumed to be universal has contextual limitations. These contextual limitations (e.g., moderator variables) improve predictability and refine theory. Second, it holds the potential to discover context-specific knowledge that can be tested (Whetten, 2002) to determine if it applies universally across multiple negotiation contexts.

What Guidance Might the Practitioner Literature Offer?
In sharp contrast to the academic literature, practitioner journals and periodicals do commonly focus specifically on compensation and job offer interviews. These journals run the gamut from general periodicals such as *Harvard Business Review* (Malhotra, 2014) to industry-specific journals such as *American Libraries* (Topper, 2004), *Academic Medicine* (Sambuco et al., 2013), *Digital Music News* (Herstand, 2014), and *Game Developer* (Theodore, 2007).

The academic literature often dismisses the writings of professional journals, asserting that generally these writings are neither documented nor supported by broad-based evidence. In some instances, the writings may be “armchair speculation” or limited to the personal observations of the writer. Because of these characteristics, writings in professional journals can display two quite visible shortcomings. First, they can offer conflicting advice. For example, the advice on how to respond when asked about current salary or salary expectations varies significantly. Second, they can make suggestions that conflict with what the academic literature sees as established and documented evidence.

While we would not dispute these concerns about the practitioner literature with regard to the topic of compensation and job offer negotiations, we do see two insights that should be noteworthy in academic circles. First, writers seem to believe that the issue of how to respond to questions regarding current salary or desired salary is extremely important (e.g., Betterton-Lewis & McElroy, 2007; Chapman, 2011; Eberle, 2013; Kraft, 2007; Ryan, 2014).

Second, the practitioner literature often takes a unique, strategic approach to negotiating job offers that is not based in the “not uniquely context-specific assumption.” For example, multiple writers (e.g., Farr, 2005; Kraft, 2007) have noted that discussions of salary should be deferred by the applicant if the employer asks about desired salary early in the conversation. The logic they provide is that applicants must first build their case of what they bring to the potential
employer. Once they have explained what value they could bring to the potential employer, the
salary conversation is a discussion of what pay is fair in exchanging services for compensation.
According to Kraft (p. 62), if an employer raises the issue of potential salary before it can be cast
in the terms of a fair exchange, “it is because a company wants to pay you the least amount of
money they can—not the amount you are worth.” If this discussion takes place early, it is more
likely to focus on industry averages than on qualifications of the applicant.

Our intent is not to refute or endorse this logic. Our intent is to illustrate that the
practitioner literature often takes an approach that optimum performance in job offer negotiations
requires a strategy unique to that context. The academic literature takes more of a generic,
tactical approach to the above issue. Unless researchers examine job offer negotiations as a
specific context, the question of whether the strategic approach to discussing desired salary
results in a different outcome than the tactical approach will remain unanswered.

Roethlisberger (1977, p. 68) points out that—while moving from what he terms “clinical
knowledge” (i.e., first-hand observations of phenomena) to general propositions is an ideal
objective in theory development and in empirical prediction—the path is not simple:

Viewed from the top of the scientific knowledge enterprise, after arriving there…clinical
knowledge sounds like prescientific baby talk—as it indeed is. But let us remember that the
social sciences, by any criteria we care to mention, have not arrived at the top yet, so these
derogatory noises may be premature. [Italics added for emphasis.]

This assessment of the state of social sciences has not changed dramatically since 1977 (Manzi,
2010, 2012). In short, absent that unobstructed viewpoint from the top, clinical knowledge (e.g.,
ideas from the experiences of practitioners) has interim potential to assist in making progress
toward “the top.”
Recommended Research Strategy

Our recommendations for conducting empirical research that focuses specifically on job offer and compensation negotiations are divided into two primary categories. Each category represents a different level of what Roethlisberger (1977) terms “the scientific knowledge enterprise.” The first category involves contextualizing universal knowledge. The second category involves what Tsui (2004) terms indigenous or context-specific knowledge.

**Contextualizing Universal Knowledge**

First, following the directive of Whetten (2002) and Tsui (2004), we can move immediately to contextualize what is assumed to be universal knowledge in negotiation. For example, Galinsky and Mussweiler (2001) have documented to the general satisfaction of the academic community that there are times when negotiators should be proactive and anchor the negotiation by making the first offer. However, specifically in a job offer context, it typically will be viewed as inappropriate and even presumptuous for the applicant to make the first offer. The standard protocol of this context is that the potential employer makes the first offer and, if desired, the applicant can respond with a counter-offer. This reality is an example of what we identified as a situation where the context requires a strategic approach unique to that specific context.

Continuing to follow this example, anchoring is such a powerful effect in negotiation (Galinsky & Mussweiler, 2001) that job applicants would want to seek alternate methods to anchor the negotiation. Therefore, a number of interesting research questions come to mind for the job offer context. What mechanisms other than making an offer exist that have potential to anchor the negotiation? Are these other mechanisms equally effective at anchoring the negotiation?
As this example illustrates, efforts to contextualize assumed universal knowledge provide potential to advance universal knowledge by asking new questions that have potential universal implications. Without such an effort, negotiation researchers are less likely to ask what mechanisms other than first offers might serve to anchor a negotiation. Writers (e.g., Hopmann, 2002; Simpson, 2006) have noted that the choice of questions researchers articulate and try to answer are influenced by the assumptions, methods, and approaches they use. These elements constrain the questions so that interesting questions have less probability of crossing the conscious minds of researchers. This constraint is consistent with Whetten’s (2002) view that relaxing assumptions is a key road to advancing theory and knowledge.

This task of contextualizing assumed universal knowledge in negotiation has the benefit that, in the scientific knowledge enterprise, we are able to draw from the theory base of the existing research in negotiation. This means that we can continue to build upon the existing negotiation applications of—for example—prospect theory (Neale, Huber, & Northcraft, 1987), goal-setting theory (Huber & Neale, 1987; Miles & Clenney, 2012), and face theory (White, Tynan, Galinsky, & Thompson, 2004).

Conducting Contextualized Research

However, our second category of recommendations necessarily starts further down the progression of the scientific knowledge enterprise. The basic goal of scientific inquiry is generally accepted as being to explain and predict why events occur as they do. This endeavor involves a progression—moving up the ladder of the scientific knowledge enterprise—of describing phenomena, explaining phenomena, predicting phenomena, and influencing phenomena (Lewens, 2016; Reiss, 2015). Whereas the assumed universal knowledge in negotiation research has progressed to a point of focus on the latter three in the progression, we
assert that research regarding job offer and compensation negotiations specifically will also entail returning to the first step of describing phenomena.

The paucity of contextualized empirical evidence regarding job offer and compensation negotiations suggests (among other conclusions) that we do not have an adequate description of this negotiation situation. One preliminary step in explaining and predicting (i.e., theory building) phenomena is to have a sufficient description of the phenomena, and we assert that such a description is essentially non-existent.

Following Roethlisberger’s (1977) position that clinical knowledge can help advance the scientific knowledge enterprise, we believe that—especially at the rudimentary task of describing phenomena—the practitioner literature offers some degree of guidance. This guidance, in part, points to some interesting research questions. As an example, the practitioner literature seems fascinated with issues of what applicants should say when asked about current salary or salary expectations in a new job. The underlying assumptions regarding this topic seem to be two-fold: (a) interviewers want to know—before investing further time with an applicant—if the applicant’s salary expectations are beyond what the employer intends to offer; (b) however, the applicant interprets a request for this information as an indication that, if the job offer is made, this request is the beginning of the negotiation. Therefore, applicants face a dilemma (Lewicki, Barry, & Saunders, 2014). They realize that sharing the information may work against them in that potentially upcoming negotiation. However, not sharing the information will relinquish any benefits of being proactive; additionally, the applicant’s trustworthiness may come into question by the interviewer.
As researchers, we are tempted to jump in with many interesting hypotheses: *A stated salary expectation serves as a proxy for a first offer. A stated salary expectation can anchor a job offer negotiation as effectively as a first offer.*

These are all appropriate hypotheses, but addressing them now is not the optimal timing. Such hypotheses focus on explanation of phenomena and prediction of phenomena before we have a sufficient description of phenomena. Responsible science dictates that we should do our due diligence on describing phenomena as a first step. Continuing with our example of questions regarding current salary and expected salary, a non-exhaustive list of research questions that focus on describing phenomena is provided in Table 2. A need to answer some of these basic questions highlights the point that systematic discovery and organization of descriptive knowledge is still at early stages.

One of the obvious reasons why negotiation research has a paucity of field study research is that negotiators—especially in high-stakes negotiations or those centered on sensitive topics—are not willing to let observers collect data on their conversations. However, if we look at the list of research questions in Table 2, we see that most of these questions can be addressed through survey research and do not require firsthand observation or recording of actual negotiations. Yes, the challenges to collecting data on actual negotiations are a detriment to conducting negotiation research that tries to establish external validity. However, much of what is needed initially in the domain of job offer negotiations can be accomplished without a need to record actual negotiation conversations.

**Conclusion**

Given the ubiquity of job offer and compensation negotiations, this is a phenomenon that deserves specific research attention. Just as with international diplomacy or police hostage
negotiations, there is sufficient reason to assert that some proportion of antecedents, strategy, behavior, and process in these negotiations is unique to this specific context. Continuing to assume universal negotiation knowledge without testing the assumption is not academic due diligence.

Going back to our analogy to a 500-piece jigsaw puzzle, we assert that the domain of research regarding job offer and compensation negotiations is like a puzzle with most of the pieces missing. While some of the pieces we have seem clear individually, their ability to help us visualize the full image in the 500-piece puzzle is necessarily limited.

To correct this situation, we recommend a two-pronged approach. First, we should leverage the more generic literature on negotiation existing in the social psychology literature. This entails testing what has been implicitly accepted as universal negotiation knowledge to determine the degree to which it applies to the specific domain of job offer and compensation negotiations. This task is contextualizing implied universal knowledge (Whetten, 2002). Second, we also need to work at the basic level of the scientific knowledge enterprise of describing phenomena by documenting the nature of job offer and compensation negotiations. This describing will help the domain collectively to be more proactive in determining which research questions are particularly noteworthy and merit the most attention. Although working at this more basic level is not as interesting theoretically as a focus on explanation and prediction, this work is necessary so that we can be systematic and purposeful when we move to explanation and prediction.
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<th>Author &amp; Date</th>
<th>Research Strategy</th>
<th>Sample Size</th>
<th>Sample Type</th>
<th>Focal Process/Theme</th>
<th>Major General Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gerhart &amp; Rynes (1991)</td>
<td>Sample survey</td>
<td>205</td>
<td>Business &amp; MBA students</td>
<td>Gender differences</td>
<td>No gender differences in propensity to negotiate starting salary. Propensity was a function of attractiveness of initial offer as well as attractiveness of alternative offers.</td>
</tr>
<tr>
<td>2. Stevens, Bavetta, &amp; Gist (1993)</td>
<td>Lab experiment</td>
<td>60</td>
<td>Business &amp; MBA students</td>
<td>Gender differences</td>
<td>Women negotiated lower starting salaries than men; men had higher aspirations for salary. Women actually had slightly higher scores on tactical knowledge of negotiation skills. Self-management training programs as well as perceived control over the negotiation improved the performance of women negotiators.</td>
</tr>
<tr>
<td>3. Kaman &amp; Hartel (1994)</td>
<td>Lab experiment</td>
<td>238</td>
<td>Business &amp; MBA students</td>
<td>Gender differences</td>
<td>Men planned to actively negotiate higher salaries than women. Women planned to focus on their education, motivation, and experience in the employment negotiation, whereas men were less likely to negotiate based on self-worth.</td>
</tr>
<tr>
<td>4. Seidel, Polzer, &amp; Stewart (2000)</td>
<td>Longitudinal Field study</td>
<td>3062</td>
<td>Private sector employees in high-technology company</td>
<td>Social ties</td>
<td>Racial minorities negotiated lower salary increases than majority members. However, when controlling for social ties in the company, this effect was reduced; however, minorities are less likely to have social ties in the company.</td>
</tr>
<tr>
<td>5. Kray, Thompson, &amp; Galinsky (2001)</td>
<td>Lab experiment</td>
<td>128</td>
<td>Psychology students</td>
<td>Gender differences</td>
<td>Men outperformed women in negotiations that were evaluated based on ability or gender-specific traits. When gender stereotypes were implicit, women performed worse than men; however, when gender stereotypes were explicit, women performed better than men.</td>
</tr>
<tr>
<td>6. O’Shea &amp; Bush (2002)</td>
<td>Sample survey</td>
<td>301</td>
<td>Recent univ. grads across various majors</td>
<td>Propensity to negotiate job offers</td>
<td>No difference in women’s and men’s propensity to negotiate. Those candidates who have the option and choose to negotiate starting salary end up with a higher rate than those who do not negotiate.</td>
</tr>
<tr>
<td>7. Barron (2003)</td>
<td>Lab experiment and interviews</td>
<td>38</td>
<td>Business &amp; MBA students</td>
<td>Gender differences</td>
<td>When requesting higher salaries, women are more likely than men to ask for equivalent rather than greater salaries compared to their referents. Higher salary requests by women were based on and justified by perceptions of self-worth and the need to prove one’s self.</td>
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<tr>
<td>8. Naquin (2003)</td>
<td>Lab experiment</td>
<td>60</td>
<td>Business &amp; MBA students</td>
<td>Negotiator perceptions and cognition</td>
<td>Having multiple issues to negotiate creates more counterfactual thinking and can actually reduce satisfaction with the negotiation as one may fixate over the possible better outcomes he/she could have obtained.</td>
</tr>
<tr>
<td>9. Porter, Conlon, &amp; Barber (2004)</td>
<td>Lab experiment</td>
<td>166</td>
<td>Business &amp; MBA students</td>
<td>Negotiator perceptions and cognition</td>
<td>Using a justice perspective, job applicants receiving low salary offers perceive the organization as less attractive and are less likely to accept a job offer from the company.</td>
</tr>
<tr>
<td>10. Derous (2007)</td>
<td>Sample survey</td>
<td>700 applicants, 140 recruiters</td>
<td>Job applicants and recruiters across various industries</td>
<td>Negotiator perceptions and cognition</td>
<td>Recruiter and applicant perceptions of the selection process differ. Applicants prefer interpersonal and negotiation approaches, but recruiters prefer objective and standardized approaches to selection.</td>
</tr>
<tr>
<td>11. Sarfaty et al. (2007)</td>
<td>Interviews</td>
<td>20</td>
<td>Academic medical faculty</td>
<td>Gender differences</td>
<td>Women saw negotiation less important to their career than men.</td>
</tr>
<tr>
<td>12. Greig (2008)</td>
<td>Sample survey</td>
<td>319</td>
<td>EEs in equities and investment banking</td>
<td>Gender differences</td>
<td>Women have lower propensity to negotiate than men which in turn adversely affects their career advancement.</td>
</tr>
<tr>
<td>13. Ferguson, Moye, &amp; Friedman (2008) Study 1: cross-sectional</td>
<td>Sample survey</td>
<td>68</td>
<td>Business &amp; MBA students</td>
<td>Negotiator perceptions and cognition</td>
<td>From study 1 and 2 (below), interactional justice perceived by the EE in the recruitment process has an effect on the EE’s intent to stay with the organization long after the negotiation.</td>
</tr>
<tr>
<td>14. Ferguson, et al. (2008) Study 2: longitudinal</td>
<td>Sample survey</td>
<td>33</td>
<td>Business &amp; MBA students</td>
<td>Negotiator perceptions and cognition</td>
<td>See above, study 1</td>
</tr>
<tr>
<td>15. Curhan, Elfenbein, &amp; Kilduff (2009) Sample survey (longitudinal)</td>
<td>Sample survey</td>
<td>70</td>
<td>Business &amp; MBA students</td>
<td>Negotiator perceptions and cognition</td>
<td>Subjective value perceived by new employees in the initial job offer negotiation had a significant effect on job attitudes and behavioral intentions 1 year later. Economic outcomes had no effect on these variables.</td>
</tr>
<tr>
<td>16. Crothers et al. (2010)</td>
<td>Sample survey</td>
<td>306</td>
<td>Male and female psychology university faculty</td>
<td>Gender differences</td>
<td>Female faculty members perceive their salaries as being lower than males. Both male and females in the sample prepared little for negotiations as a whole. No gender difference was found in propensity to negotiate salary.</td>
</tr>
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<tr>
<td>17. Marks &amp; Harold (2011)</td>
<td>Sample survey</td>
<td>149</td>
<td>New hires</td>
<td>Propensity to negotiate job offers Negotiating strategies</td>
<td>Individual differences were significant in predicting whether or not individuals negotiated. Individuals who chose to negotiate increased their starting salaries by an average of $5000. Competing and collaborating strategies led to greater salary increases than compromising and accommodating strategies.</td>
</tr>
<tr>
<td>19. Bowles &amp; Babcock (2013) - Study 1</td>
<td>Sample Survey</td>
<td>540</td>
<td>College-educated individuals with work experience</td>
<td>Gender differences</td>
<td>Legitimization of negotiation requests (outside job offer) was associated with willingness of other party to grant request.</td>
</tr>
<tr>
<td>20. Bowles &amp; Babcock (2013) - Study 2</td>
<td>Sample Survey</td>
<td>224</td>
<td>College-educated individuals with work experience</td>
<td>Gender differences</td>
<td>Relational accounts improved willingness to work with female negotiators and willingness to grant compensation requests. No effect for male negotiators.</td>
</tr>
<tr>
<td>21. Leibbrandt &amp; List (2015)</td>
<td>Field Study</td>
<td>2500</td>
<td>Job seekers</td>
<td>Gender differences</td>
<td>Men are more likely to negotiate when not clear that wages are negotiable, but gender differences disappear when negotiability mentioned explicitly.</td>
</tr>
<tr>
<td>22. McCormick &amp; Morris (2015)</td>
<td>Lab Experiment</td>
<td>96</td>
<td>Psychology students</td>
<td>Gender differences, Stereotype threat</td>
<td>Support for previous findings about stereotype threat. No difference between face-to-face and email contexts.</td>
</tr>
<tr>
<td>23. Solga, Betz, Düsenberg, &amp; Ostermann (2015) - Study 1</td>
<td>Lab Experiment</td>
<td>88</td>
<td>Psychology graduate students</td>
<td>Political skill</td>
<td>Higher self-reported political skill was associated with higher scores in distributive job negotiation.</td>
</tr>
</tbody>
</table>
Table 2. Potential Research Questions: Questioning about Current Salary and Expected Salary

<table>
<thead>
<tr>
<th>Question</th>
<th>Details</th>
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<tr>
<td>What proportion of employers ask job applicants about their current salary?</td>
<td>What is their rationale in asking for that information?</td>
</tr>
<tr>
<td>Are there employers who <em>intentionally</em> do not ask for current salary information?</td>
<td>If so, what is their rationale?</td>
</tr>
<tr>
<td>What proportion of employers ask job applicants about their expected salary?</td>
<td>What is their rationale in asking for that information?</td>
</tr>
<tr>
<td>How do employers use information provided regarding current salary?</td>
<td>Does this information influence the salary stated in subsequent job offers?</td>
</tr>
<tr>
<td>Do employers and job applicants view the beginning point of the job offer negotiation differently?</td>
<td>If so, do these different views bias each party’s view of the other party’s honesty and trustworthiness?</td>
</tr>
<tr>
<td>To what degree do employers have secondary motives in asking about current salary (e.g., gauging applicant’s response)?</td>
<td></td>
</tr>
<tr>
<td>What proportion of job applicants skew or misrepresent current salary information provided to employers?</td>
<td></td>
</tr>
<tr>
<td>What proportion of interviewers believe that current salary information provided by job applicants is skewed or misrepresented?</td>
<td></td>
</tr>
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</table>