Differences in the Workplace: Causes, Costs, Contributions, and Consequences

Presented by

Linda L. Ramsey Program Evaluator and Educational Consultant September 28, 2010

> IDEAS Break Louisiana Tech COES



Louisiana Tech ADVANCE PAID Program

and

Women Don't Ask: Negotiation and the Gender Divide Authors Linda Babcock and Sara Laschever





"This book is an eye opener, a call to arms, and a plan for action." — Teresa Heinz

LINDA BABCOCK and SARA LASCHEVER Copyrighted Masterial



THE DIFFERENCE

How the Power of Diversity Creates Better Groups, Firms, Schools and Societies



Author Scott E. Page

Director,

Center for the Study of Complex Systems, Univ. of Michigan



HOW THE POWER OF DIVERSITY CREATES BETTER GROUPS, FIRMS, SCHOOLS, AND SOCIETIES

Scott E. Page

Similarities and Differences

Different but related theses
Research based
Written by economists

In The DIFFERENCE Page claims:

Diversity trumps ability.

Collective ability equals individual ability plus diversity.

Uses mathematical models and logic to support his claims.

Structure of presentation

Why he started looking at diversity □ What he means by cognitive diversity Why diversity improves problem solving and prediction Some ideas about how we can leverage diversity



Why the math?

Bringing math to metaphors allows the building of a science





Logic allows the identification of conditions under which diversity is beneficial.

Two steps:

Step 1: Define how we differ.

Step 2: Identify why diversity improves problem solving and prediction

Cognitive vs Identity



Perspectives
Heuristics
Interpretations
Predictions

Gender
Age
Ethnicity
Cultural
Disability

Perspectives

A perspective is a representation of possible solutions.

Diverse Perspectives



Cartesian

Polar









Sum to 15

Set Up: 9 cards placed face up

Play: Players take turn drawing one card at a time

Object: To hold exactly three cards that add up to 15





The Magic Square

4	9	2	Ρ	X	Ρ
3	5	7		D	X
8	1	6	D		Ρ

Tic Tac Toe

Savant Existence Theory

For any problem there exists a perspective that makes it easy.



Heuristics

Tricks and techniques we use to try to solve problems.

"Do the opposite!" George Costanza

IQ Test Questions

1 2 3 5 8 13

1 4 9 16 25 36

1 2 6 <u>42</u> 1086

Superadditivity

1 heuristic + 1 heuristic = 3 heuristics

Cognitive diversity actually produces new heuristics. A major benefit!

Interpretations

Allow us to create meaningful, structured categories that allow us to make sense of the world.



"Lump to live"



Examples:

Biden is a liberal. Soccer moms NASCAR dads Price Earnings Ratios Autism







Pile Sorts

Broccoli Fresh salmon Spam Canned beets

Veggies Broccoli Arugula Carrots Fennel Arugula Canned posole Ahi tuna Sea Bass Carrots Fennel Niman pork Canned salmon

Fish & Meat

Fresh salmon Ahi tuna Niman pork Sea bass **Canned Stuff**

Canned beets Canned posole Canned salmon Spam

Veggies

Broccoli Canned beets Carrots

Fish & Meats

Fresh salmon Niman pork Spam Canned salmon

Weird

Arugula Fennel Sea bass Canned posole Ahi tuna

Different categories mean people will predict things differently.

Predictive models

an interpretation together with a prediction for each set or category created by the interpretation.

Red cars go fast! Orrie Page, age 3



Individuals **#** IQ scores or SAT scores



Cognitive diversity occurs because we all have different tools in our toolboxes.

Why does "diversity trump ability?" Problem must be "difficult" People have to be "smart" Groups and teams have to be relatively large and diverse Experts tend to head for the same solution and get stuck at the same point.

Examples of Improved/distributed problem solving

The Goldcorp competition
The Netflix competition
InnoCentive

Prediction

Diversity Prediction Theorem

Collective Error =

Avg. Individual Error – Predictive Diversity





Individual ability and collective diversity contribute equally to collective predictive ability.

Being different is just as important as being smart!

WEDC $(10-18)^2 + (14-16)^2 + (46-39)^2 = 117$ Crowd $(13-18)^2 + (10-16)^2 + (43-39)^2 = 77$

NOAA $(16-18)^2 + (6-16)^2 + (40-39)^2 = 105$

	NY	CHI	LA
NOAA	16	6	40
WEDC	10	14	46
Crowd Avg	13	10	43
Actual	18	16	39

Average = 111

Collective Error =

Avg. Individual Error – Predictive Diversity

Average Individual Error = 111 Collective Error = 77

Predictive diversity

 $(NOAA - Crowd)^2 = (16-13)^2 + (6-10)^2 + (40-43)^2 = 34$

 $(WEDC - Crowd)^2 = (10-13)^2 + (14-10)^2 + (46-43)^2 = 34$

77 = 111 - 34

Take Home Messages

- Maximize available tools: think "smart" AND "different"
- Format problems to leverage diversity
- Restructure organizations
- Take time to develop a common goal(s), build trust, develop communication skills, etc.
- Diversity and ability are equally important for making accurate predictions

SWITCHING GEARS


Women Don't Ask: Negotiation and the Gender Divide Authors Linda Babcock and Sara Laschever





"This book is an eye opener, a call to arms, and a plan for action." — Teresa Heinz

LINDA BABCOCK and SARA LASCHEVER Copyrighted Masterial



Three questions guide presentation:

- How do the authors know this?
- Why don't women ask?
- What does "not asking" cost?

How they know

Personal Experience



Economist, Director PhD Program, Hinds College, Carnegie Mellon & James M. Walton Professor of Economics

Teach course vs TA

- Opportunity to attend public policy conference
- Promotion to full professor

Research Base



Author, focus on women's issues in workplace

Interviews with 100's of people (S)
Surveys (L)
Game playing (L)
Question on exit interview Hinds College(L)

Men initiate negotiations 4X more often than women

7% of women vs 58% of men negotiated first job offer (Hinds College, Carnegie Mellon) Men: negotiation = "fun" "winning a ball game" "a wrestling match" Women: negotiation = "scary" "going to the dentist"

Women: 18 month Buying car, home

Men: within past week Asking colleague to support pet project, negotiate with wife to pick up child

Lindsey, research chemist:

"I get so nervous in negotiating that I capitulate very quickly"

Marcela, nuclear engineer:

I would never ask for a bonus. If it wasn't freely given I wouldn't ask for it. I might gripe about it at home, but that would be the end

of it.

Eleanor, lit professor and biographer:

When it came down to it, I backed down because I didn't want my editor to hate me. Why don't women ask for themselves?

 Socialization as children
 Types of acceptable behavior for adult women
 Availability of professional and personal networks

From Day 1









Girls have learned:

Wait to be recognized











Boys' Chores vs Girls' Chores

outside home more independent much more frequently work for money as needed

household chores
supervised
taking care of younger sibling
regular schedule

Boys learn: Work for money!

Girls learn: Work for love!

Women come to workplace with much less experience in negotiation



A much lower comfort level with the idea that their work has a monetary value or what that monetary value is



Find that men and other women in workplace don't like aggressive women.

Aggressive women are "punished"

- work is undervalued
- given mediocre referrals
- aren't nominated for committees
- described in unflattering terms
- etc.



AND

Women are often peripheral or completely isolated from many of the networks men have to help them.

- Example: tennis round robin, physicians

What this means:

- do not get informal advice and guidance
- don't know what to ask, who to ask, when to ask
- don't even know what male colleagues are asking for



What does it cost and who does it cost when women don't ask?







Who wouldn't trade 5 minutes of discomfort/embarrassment at the first of her career for three quarters of a million dollars at the end of her career? Person A vs Person B (22 years old) Yr 1 \$25,000 gap = \$5,000/yr \$30,000 Both 3% increase each year At end of career: gap = \$18,000/yr

If Person B invested difference each year into an account that earned as little as 3% a year, at age 65 the account would contain \$785,000

Person A **Person B** VS (30 years old)

Yr1 \$100,000 gap = \$15,000/yr\$115,000

Both 3% increase each year

At end of career: gap = \$42,000/yr

If Person B invested difference each year into an account that earned as little as 3% a year, at age 65 the account would contain \$1.5 million dollars

Earnings in Relation to Similarly Educated Men's Earnings



http://www.womensmedia.com/new/Lips-Hilary-genderwagegap.shtml ⁵⁶

Closing of wage gap has stalled since 1980:

Wage gap between salaries of females vs males

1980	60%
1990	71%
2000	71%
2007	75%

80,000 male = 60,000 female (75%)

SHE works 12 months to earn what HE earns in 9 months

Not only money:

space, laboratory/research assistants decreased teaching load assignment to prestige projects assignment to high profile teams assignment to important committees chance to collaborate with someone from whom you could learn access to discretionary funds opportunities to travel

Women tend to think:





Women make up 50% of workforce

In major companies:

- Top 5 jobs
- Board of Directors
- Partners in law firms
- Tenured faculty in law schools
- General counsel, Fortune 1000

In academia:

- PhDs
- Full Professors
- College Presidents

46% female 23% female 21% female

(13% at PhD granting institutions)

2.5% female
11% female
18% female
27% female
16% female

The full potential of female employees is not being harnessed by industry and academia.

And at home:

Women with families do 2/3 of all household work

- women have less free time
- women have higher stress levels which leads to health risks



When women do ask:

they ask for 15 - 30% less than their male colleagues ask for!







Men think:

The world is my oyster! Women think: You can't get blood from a turnip!



Why do women set low goals?

GOAL!!!!





When women do negotiate: view it as a collaborative process want to make sure everyone comes out of negotiation with at least part of what they want want to make sure relationships are maintained want to develop a win-win scenario

How can we address this issue?

- Raise awareness of all students
- Provide all students training in how, why, and when to negotiate
 - Design assignments/projects to provide all students with opportunities to practice negotiation skills
- Support programs that provide the above

THE CONNECTION

If cognitive diversity on teams leads to enhanced problem solving and more accurate predicting, then it is essential to identify and address those issues that limit participation of individuals or groups who might enhance that diversity.