

Negotiation

KEY TOPICS

advocacy
 anchoring bias
 base salary
 BATNA
 compensation package
 double bind
 flexibility
 implicit bias
 information asymmetry
 intercultural competence
 objectives
 offer/counteroffer
 policies
 power
 priorities
 salary data
 salary history
 wage gap
 wage transparency
 win-win

Negotiation supports equitable and inclusive practice when it is not viewed as a competition between adversaries but a collaborative process that seeks to create satisfying solutions for all parties, as well as ensuring equitable practices in the profession.

This guide calls attention to the importance of equipping architecture professionals with equitable and inclusive negotiation skills in their daily practice.



The University of Washington for the American Institute of Architects Equity and the Future of Architecture Committee

What is negotiation about?

Negotiation is back-and-forth communication designed to reach an agreement when you and the other side have some interests that are shared and others that are opposed.¹ There is often an assumption that negotiation is about trying to get the best deal for oneself or one's own interests without regard for the other party; however, this guide advocates "equitable negotiation," or deeply considering the interests of all parties together to reach a fair and mutually satisfying agreement.

When "agent identities" and "target identities" (see the *Intercultural Competence* guide) negotiate, agent group priorities and ways of thinking and behaving may dominate, leading to unfair outcomes; and when "outsiders," like women and people of color, try to negotiate using the traditional norms, they are often judged harshly and penalized.²

Negotiating for higher pay prior to employment is one significant type of negotiation that can contribute to equity and inclusion. Negotiations also take place often, at different points in an architect's career and for a variety of purposes, for instance, with the owner, on behalf of the building user, or to lead discussions on challenging problems, such as cost versus quality. Negotiation can take place during any one of the following situations:

- initial employment
- regular salary reviews
- promotions
- external contracts (e.g., client fees, consultants)
- everyday workplace situations (e.g., schedule, project roles, project assignments, prioritizing project resources)
- dispute and conflict resolution (e.g., resolving differences between project team stakeholders)

It is possible to negotiate for a higher salary, a promotion, or a new work opportunity. One can also negotiate terms of employment, including:

- hours, flexible work time, telecommuting
- vacation
- benefits (e.g., health and other types of insurance, time off, child-/eldercare)
- licensure support (e.g., time off to study, fee reimbursement, raise upon completion)
- timing of future reviews
- amount of leave
- perks (e.g., gym, childcare, pets in office)
- moving expenses
- employee assistance programs
- retirement contributions

Negotiation is not only an individual pursuit. It can also be conducted to achieve gains for one's team or company. It is a daily activity and important job skill as architects regularly have to negotiate with designers, builders, clients, public officials, and others.³ Architects may sometimes take on the role of mediator in negotiations between other parties, especially contractor-client relationships and when dealing with multiparty stakeholder groups on larger projects. (The role needs to be managed carefully, since engaging in dispute mediation may create exposure to legal risk.) When negotiating as an architect on behalf of your company or your team, you can negotiate over:

- project fees, services, and scope
- contractor/consultant agreements
- leases
- assumption of risk, insurance coverage
- reimbursable expenses
- prearranged methods for settling disagreements

These everyday negotiations with clients, contractors, managers, and peers about deadlines, schedules, assignments, distribution of labor, and priorities can, over time, establish interpersonal dynamics that have a direct impact on employees, working relationships, and project outcomes.

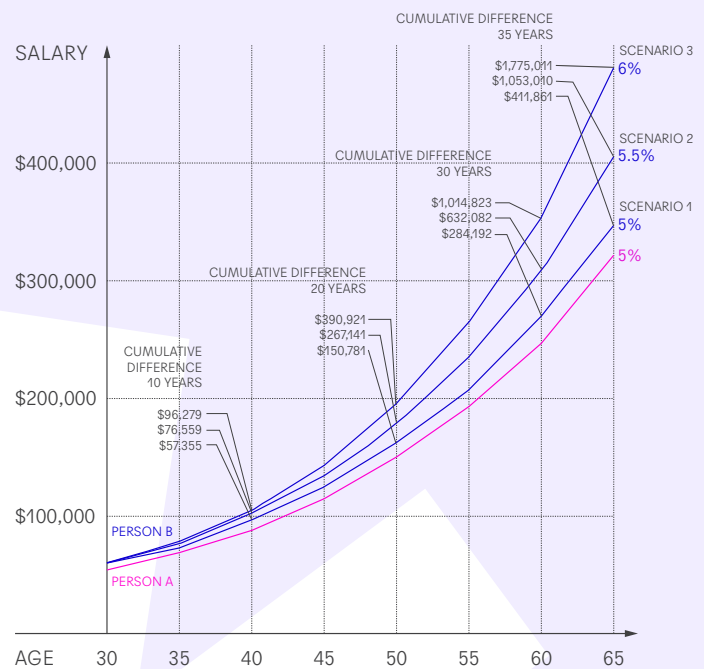
POWER AND EQUITY

Power held by either party in the negotiating relationship can influence the outcomes of the negotiation.⁴ Sources of negotiation power include one's position, role, or title in the organization that confers the ability to provide raises or create negative outcomes for the other party; one's confidence or psychological power; and a lack of dependence on the outcome.⁵ An important but sometimes less visible source of power is membership in the dominant culture. As discussed in the *Intercultural Competence* guide, whether they acknowledge or desire it, all members of a dominant group have advantages over members of non-dominant groups. Negotiations may be affected by cultural norms if the negotiating parties differ in their cultural identities. In these cases, those belonging to non-dominant groups may be at an additional disadvantage, stemming from their lack of relative power.

Identity is another source of power that gives advantage to those with agent identities. The dominating culture shifts based on the situation and the players, large-scale societal forces create consistent advantages for people with agent identities, regardless of context. In the U.S. today, there are many ways that white men experience advantages that give them a source of power when negotiating with those who have a target identity. (See *Intercultural Competence* guide for how dominant/non-dominant, and agent/target identities interact.) When those from target identities negotiate, they often secure less positive results.⁶

Bias (implicit or explicit) based on culture or identity is another factor in negotiation. For example, people of color and women are perceived more negatively when they attempt to negotiate for salaries (see the *Compensation* guide); their requests are more likely to be overlooked; and they are disadvantaged when pursuing leadership roles.⁷

Negotiation is a social construct developed for specific groups and purposes. It has been traditionally a "man's game," and therefore done under white men's rules. In this context, negotiation favors certain groups and their way of thinking/behaving. Being aware of how power can manifest itself in negotiations and using power conscientiously can help create final agreements that satisfy all parties and support healthy long-term working relationships.



DIFFERENCE IN CUMULATIVE INCOME BETWEEN A NON-NEGOTIATOR (PERSON A) AND A NEGOTIATOR (PERSON B)
Person A and B are both offered a starting salary of \$60,000.

Person A accepts the offer.

Person B negotiates a salary 7.6% higher (a typical result of salary negotiation). Then:
Scenario 1. Person A and B each receive the same 5% increase each year.

Scenario 2. B negotiates raises .5% higher each year (or 5.5%) than A.

Scenario 3. B negotiates raises 1% higher (or 6%).⁸

THE NEGOTIATION GAP AND DOUBLE STANDARDS WITH GENDER AND RACE

Negotiating is not an innate skill but one that improves with practice. However, biased social expectations and perceptions based on gender and race influence who is expected to negotiate and is encouraged to practice. (For more on the impact of social bias, see the *Intercultural Competence* guide.) For example, initiating negotiations can be a thorny process for people of color, particularly black job candidates.⁹ Recent studies on racial bias and negotiation found that racial bias factored into expectations and perceptions of black job seekers. All evaluators were more likely to perceive black job seekers as less likely to negotiate and, additionally, expected black applicants to negotiate less aggressively than their white counterparts. This meant that when black and white job seekers negotiated in comparable ways, evaluators viewed black job seekers as more aggressive, which, in a form of backlash, resulted in lower starting salaries.¹⁰

Similarly, while women in architecture tend to initiate negotiations for higher pay more often, women who negotiate—possibly from a lower starting offer—end up with lower salaries than their male counterparts.¹¹ Women are also more hesitant to negotiate when the evaluator is a man.¹² Research on expectations of feminine modesty, gender, and leadership has shown that when women do attempt to negotiate in ways deemed “masculine” (e.g., authoritative, direct), they tend to be evaluated harshly and seen as competent but not likeable or hireable.¹³ This dynamic has also appeared in social and behavioral experiments, in which men were found to penalize women more often than men during compensation negotiations; men also preferred to work with women who accepted initial compensation offers rather than countering.¹⁴ Current and future architects will benefit from a deeper understanding of the nature and role of negotiation in their profession, as well as from learning and improving their skills on effective negotiation. Engaging in equitable negotiation builds on skills and tools of adaptation discussed in the *Intercultural Competence* guide: identifying one’s goals and objectives, deeply appreciating and understanding the objectives of the other parties, and finding ways to effectively bridge those differences.

Approached in this way, architects can not only negotiate on their pay and promotions but can also be effective engaging clients, contractors, and officials who participate in building projects.¹⁵ At the same time, firms and the profession need to offer more education in and opportunities to practice negotiation. Firms can support the profession by explicitly learning about and addressing the impact of systemic racism and sexism and individual biases to remove them from the negotiation process.

“If you’re going to get a new job or ask for a raise, talk to all the men you know first, whether or not they’re not in architecture, because they’ll give you a number at least 30% more than you thought you were going to ask for. And then ask for it. I never thought I’d have the balls to do it, it felt like an outrageous number. And though they countered with little less, it was still a lot more than I would originally have asked for. I talked to my female friends for a sanity check, but I went with the guys’ number, and it worked.”

Associate at Large Government Firm,
Indo-American, Female, 31

Why is negotiation important for equitable practice?

Negotiation has an impact on individuals, firms, and the architecture profession as a whole and can create value for all parties when practiced as a creative, collaborative, problem-solving activity.

For individuals, negotiation is a useful skill for gaining higher compensation and advancing one's career. Negotiating with one's employer at different points in a career can lead to gaining greater work responsibilities, having an important role in career-advancing projects, and earning a new title, firm leadership, or ownership. Negotiation can also help with career fluidity, allowing the individual to change jobs or firms successfully.

For firms, successful negotiations, in which both parties feel like the process is fair, also affect employee retention: successful promotion negotiations demonstrate to employees that they are valued and reinforce their own sense of innovativeness.¹⁶ Furthermore, a firm with multiple negotiable parts of its employment package can be more flexible and accommodate individual preferences, potentially leading to longer retention and increased employee engagement. Establishing equitable and transparent practices within strong and healthy workplace cultures requires identifying what individuals in the firm need to succeed and creating openings for discussions about everyone's needs. The end result is mutual advocacy from multiple points of view, reducing the need for individuals to advocate for themselves or struggle for equitable treatment.

Negotiation is not just a useful skill for gaining higher salaries and advancing one's career but also a requisite skill for those who are self-employed or in a firm and working daily in teams and with contractors and clients. Contract negotiation, in particular, is a rewarding skill that is essential for a firm's success. Negotiation helps affirm the value of architectural services and, hence, supports setting profitable fees. Within a project team, members may negotiate over commonplace issues like who will travel with the unwieldy model or if the Building Information Modeling (BIM) lead role will rotate among peers. Mediating between stakeholder points of view to resolve conflicts and reach decisions is another important

form of negotiation. Architects may be in the ideal position to understand the different agendas of the owner, user, and builder and, therefore, to help build shared goals within office teams and wider project teams and navigate tradeoffs among cost, quality, speed, and expediency.

INDIVIDUALS

Financial security · Negotiation can make a good offer better, make an unattractive one attractive, and establish a strong salary history. The cost of not negotiating results in an increasing “accumulation of disadvantage” over a lifetime of compensation.¹⁷ (See the graphic on p. 5.03.) Furthermore, 84% of those who negotiate end up receiving higher salaries, with one-fifth receiving as much as 20% more than the initial offer and another fifth receiving 11% to 20% more.¹⁸ Although as noted above, women architects attempt to negotiate salaries more often than men, a more general study of the starting salaries of advanced-degree holders (defined as master's or higher) found that 57% of men but only 7% of women had negotiated their starting salaries, that the starting salary differential between the genders was 7.6%, and that the students who negotiated increased their starting offer by 7.4%—almost enough to erase the differential.¹⁹

Future opportunities · Pay level, whether high or low, is often used as a proxy for achievement and can lead to assumptions about a prospective employee's potential performance.²⁰ (For information on situations where salary history cannot be referred to, see the Compliance section of this guide.)

Satisfaction and quality of life · Effectively negotiating one's compensation package helps meet specific needs and priorities, such as caretaking responsibilities. The result could be fair and flexible working conditions, longer vacation time, better work-life integration, and even the fundamental motivation to stay in the profession.

Skills · Negotiation is a marketable business skill for every role in architecture. Demonstrating confidence at initiating and carrying out a negotiation indicates that a prospective employee will represent the firm well.

Some employers expect that prospective employees will negotiate their hiring packages and may even look less favorably upon those who do not. Negotiation skills can help individuals obtain higher compensation and desired benefits in their first job, obtain new roles and responsibilities, and improve relationships with clients, contractors, public officials, and vendors.²¹ Having advanced negotiation skills will help advance careers.

MANAGERS

Engagement · Negotiations that lead to mutually satisfying outcomes will make new and current employees feel valued and lead to stronger employee engagement and retention.

Workplace culture · Workplace culture, policies, and processes need to be balanced with the needs of individual employees. Negotiation practices within the firm that align with statements about how a workplace values its employees can raise employee engagement and advance the firm's desired culture.

Conflict mitigation · Negotiation is an important tool for reducing and resolving conflict within the workplace and with external parties.

Project management · Having negotiation skills means being able to navigate and make decisions internally about firm priorities and engage in productive discussions with clients and consultants.

FIRMS

Retention · Individuals who have engaged in successful role negotiations report that they are more likely to stay in their current job.²² Attrition among people of color often stems from dissatisfaction with professional growth and lack of recognition, while clear, written criteria for promotion can help them negotiate from an even footing. Providing prospective employees and those seeking promotions with a wage that reflects their market value also aids in retaining employees. For example, if the architecture market is competitive but a firm pays a wage lower than the market level, it will probably lose its employees.²³

Trust · Effective negotiations aim to understand the needs and interests of both sides. Firms that avoid intimidation and being dismissive of employees or prospective employees earn trust, and their employees will feel more engaged.²⁴

Risk · Negotiation is an important tool for interrupting and addressing conflict both within the workplace and with external partners, thereby protecting employers and employees alike.

Partnership · If a firm negotiates fairly with clients, contractors, consultants, and public officials, it will be viewed as a trusted business partner and is more likely to earn repeat business and referrals.

Profitability · Effective negotiation establishes the correct scope to meet client needs while also setting value for the work.

Centrality · The ability to negotiate well and fairly contributes to maintaining the architect's essential role in the building process, especially when allocating and managing risk associated with all phases of the project.

PROFESSION

Value of architects · Professionals who are collaborative, creative, and fair negotiators can establish and uphold the value of architectural services to clients, the industry, communities, and society.

“I find that a lot of people sell themselves short. I don't know if it's just that lecture they get: 'If you're going into this business to make money, you're in the wrong business.' I try not to let that be a stumbling block. It shows leadership if you come in and say, 'here's what I've done, what I can do, and this is what I'm worth.'”

Principal and Owner, White, Male, Straight,
Differently Aabled, 60s

Negotiation capability and outcomes improve when...

TRUST

firm leaders and managers communicate the firm's position, policies, and compensation structure openly

employees are not penalized for sharing compensation information

everyone is committed to negotiation as a win-win practice

people build bridges across cultural differences

negotiations are conducted with the impact on long-term relationships in mind

ALIGNMENT

in negotiations, people consider the context beyond their own priorities and immediate demands

participants research the culture and possible expectations of the other parties beforehand

common goals are established up front in fee and contract negotiations

participants allow ample time for the negotiation process to reduce pressure, stress, and reversion to cultural stereotyping

negotiators have determined their own BATNA (best alternative to a negotiated agreement; your most advantageous available alternative) if negotiations fail

COMPLIANCE

employers are aware of and observe laws pertaining to compensation

employees who share salary information with others are not subject to retaliation (to the degree consistent with applicable law)

employers develop and advance their understanding of best practices

employers honor antitrust laws protecting and promoting competition

FAIRNESS

pay scales, benefits, and other forms of compensation are applied objectively and evenhandedly

firm leaders and managers recognize the tendencies of different groups to be rewarded or penalized for advocating on their own behalf and adjust accordingly

managers pay attention to cultural differences in negotiation styles and honor them without presuming stereotypes

decision makers understand and appreciate the role of power, culture, and equity in the negotiation process, and have the skills to negotiate in an equitable and inclusive manner.

Compliance

This section is intended to introduce you to important legal information regarding discrimination but is not a substitute for legal advice. For such advice, we strongly urge you to consult an attorney.

Laws regarding negotiation connect closely with those related to recruitment, retention, and compensation. For example, in some states, there are details you may not discuss with an employee when recruiting, such as previous salaries.²⁵ In general, to be fair, employers should be transparent about available benefits and what other employees receive while customizing equitably to address individual needs or wants. (For more information, see the *Recruitment and Retention* guide.) Other compliance issues related to negotiating roles include ethical considerations as well as antitrust regulations.

ETHICAL CONSIDERATIONS²⁶

Members of the AIA are dedicated to the highest standards of professionalism, integrity, and competence. The AIA Code of Ethics and Professional Conduct sets forth guidelines and rules for the conduct of its members in fulfilling those obligations and applies to the professional activities of all classes of members, wherever they occur.

Canon V of the Code of Ethics states:

- [AIA] members should respect the rights and acknowledge the professional aspirations and contributions of their colleagues.

The Code's Ethical Standard 5.1 provides:

- [AIA] members should provide their colleagues and employees with a fair and equitable working environment, compensate them fairly, and facilitate their professional development.

And Rule of Conduct 5.101 mandates:

- [AIA] members shall treat their colleagues and employees with mutual respect, and provide an equitable working environment.

Members who have questions about these or other provisions in the Code of Ethics may contact the AIA's Office of General Counsel.

AIA ANTITRUST COMPLIANCE²⁷

Antitrust laws prevent or control monopolies and promote competition in business. It is the policy and practice of the American Institute of Architects (AIA) and its members to comply strictly with all laws, including federal and state antitrust laws, that apply to AIA operations and activities. Compliance with the letter and spirit of antitrust laws is essential to maintaining the Institute's reputation for upholding the highest standards of ethical conduct.

Compliance with antitrust laws does not preclude broad discussions regarding values, market trends, and best practices concerning such business activities as recruitment, retention, and negotiation. In educational settings and with the appropriate context of identified learning objectives, there are opportunities to advance individual, firm, and profession knowledge on topics critical to the financial health and future of architecture.

However, antitrust compliance does require firms to avoid certain anticompetitive behavior. For example, employers from different firms must avoid discussions with each other on any of the following subjects unless otherwise required by law or until they have received approval from their attorneys:

- The compensation paid to employees (including specific agreements on maximum or minimum salaries to be paid or annual pay increases)
- Agreements on benefits to be offered to employees
- Agreements not to hire each other's employees
- Agreements not to hire specific individuals

Employers are strongly urged to consult legal counsel before engaging in any discussions or activities that may affect inter-firm competition.

INFORMATION ASYMMETRY AND WAGE TRANSPARENCY

Some states have laws that protect workers from retaliation for sharing wage information or that prohibit employers from asking candidates for their salary history prior to making an offer of employment.

Assess

COMPLIANCE

Are your policies and practices consistent with federal and state employment laws? · Are there state laws governing what you can and cannot discuss with an employee when negotiating? · Does your state have laws that protect workers from retaliation for sharing wage information?

Are your policies and practices consistent with federal and state antitrust laws? · How do you simultaneously support healthy competition among firms and shared discussion regarding best compensation practices in the profession?

How does your firm keep track of changing laws regarding pay transparency? · Do you have ways to aggregate data or protect privacy while supporting transparency?

SKILL

What kind of negotiation training and experience do you offer? · What opportunities do employees have to practice negotiating skills when the stakes are low or situations less stressful?

How do you establish common interests with the other party? · Do you look at negotiation as a battle or as problem-solving? · Do you work together to cocreate new solutions that benefit both parties?

Are you aware of the role and impact of culture in negotiation? · Are you able to bridge cultural differences in order to have effective negotiations? · Do you help parties bridge the cultural differences that may potentially impede the negotiation process?

INTEGRITY

Are your proposals, priorities, and BATNAs (best alternative to a negotiated agreement) consistent with your espoused values? · Do you discuss and analyze them for alignment?

Do employees seek mutually satisfying solutions? · Do you reward win-win solutions? · How much latitude do employees and hiring managers have in negotiations? · How do employees treat clients and contractors face-to-face, and is the way they talk about them when they are not present consistent with that treatment?

How are disagreements and conflicts addressed? · What policies are there for managing disagreements between employees? · How about for managing conflict between employees and client, with external teams, or with others?

PREPARATION

Before negotiating, do you establish your own interests, priorities, and BATNAs, and do you research the other party's? · How do you determine them? · What kinds of questions do you ask to help you understand the client's situation and needs?

How do you view and manage risk? · How much and what kind of liability are you willing to take on? · Do you pursue alternative practices where accepting risk helps your firm advance an innovative business model? · Do you find ways to reduce, share, or transfer risk?

Within compensation packages, what flexibility and choices do employees have to meet their own needs? · Do you have consistent compensation packages and offers?

Act

INDIVIDUALS

Negotiating is a key skill in architecture and requires practice. Being a successful negotiator can help with quality of life, job satisfaction, and financial security. Typically, individuals will negotiate for themselves with their employers upon recruitment, when seeking promotions, and when making new working arrangements. They also negotiate on behalf of their firms over project fees and with vendors and subcontractors. In addition, when acting as project managers, architects will negotiate to guide difficult choices and ensure the design intent is being met.

NEGOTIATE TO BUILD A HEALTHY WORKPLACE

Everyday situations arise in which negotiating can help individuals promote a robust, healthy workplace, increase engagement, and promote equity.²⁸

- **Bring attention to the systemic nature of issues relating to diversity and equity** rather than treating them as stand-alone, personal “problems.” Link them to core institutional values and goals.
- **Share information** and documented patterns of behavior or research when there are specific equity issues or conflicts. Draw on best practices, creativity, and commitment to resolve them.
- **Develop your social capital**, build relationships with those who can make organizational changes, expand your network to include those who are a part of negotiations related to workplace culture, and identify opportunities to strengthen these relationships.
- **Be honest in every aspect of every negotiation.** Be clear about your own values and always communicate with integrity. The world of architecture is small.
- **Get training and practice in negotiation.** Negotiation is a learned skill, not an innate talent. Learn to approach negotiations as conversations. You can use the tools in the Resources section of this guide to help develop your skills.

NEGOTIATE COMPENSATION

Negotiating compensation packages with your employer can help you improve your financial security and obtain an overall package that fits your needs.

- **Know your objectives and priorities.** Plan the elements you wish to negotiate, and articulate for yourself (and possibly for the employer) the desires that underlie the elements. Be aware of your negotiation goals, and be prepared to be flexible and exchange for other benefits. Before negotiating, establish your target for each item (e.g., salary, location, project types, team, work content, benefits, working hours and flexible arrangements, support for licensing exams, employer policies, training, relocation assistance, evaluation timing, bonuses) and how important they are, and identify your bottom line for anything that is non-negotiable. Be optimistic but not unrealistic in your targets.
- **Do your research about salaries.** Know the salary range for the job you are applying for or the next level of your career that you are aiming for. Know what salary level might cause the employer to walk away.²⁹
- **Know your BATNA** (best alternative to a negotiated agreement),³⁰—that is, the best backup you have to accepting a less-than-ideal offer or proposal—and be willing to take it. If you do not have a BATNA, work quickly to find other alternatives, such as scheduling interviews with other firms, or refer to objective sources, such as salary surveys.
- **Enter with a positive attitude.** A 2018 study showed that only 39% of job seekers negotiated for a higher salary.³¹ Women were discouraged from asking for raises or negotiating employment agreements.³² In a candidate’s market, in particular, overcome any discomfort and use your bargaining power; in an employer’s market, prepare to be flexible and creative in finding workable solutions.
- **Practice.** Find a partner to give you feedback in mock interviews.³³

- **Have an adaptive communication style.** You are speaking with a potential colleague. Know your preferred style, and learn to adapt to other styles as needed (direct or indirect, casual or formal, discursive or factual and to the point).
- **Express appreciation for the offer.** You are speaking with a potential colleague. Frame your objectives as questions, requests for advice, and ways you would add value to the firm rather than as demands.
- **Do not accept an offer immediately.** Ask for time to consider it, especially if you are weighing it against other offers. On the other hand, don't negotiate unless you are prepared to say yes once you have agreed on the elements of an offer.
- **Watch for the double bind.** Black professionals and women are typically expected to be less aggressive negotiators and to settle for less. Compared to white job seekers, black job seekers who negotiate are perceived as pushier and, as a result, may receive lower starting salaries. Women who ask for more can be perceived as unlikeable and may be penalized and their reputations tarnished. A flexible negotiation style—from friendly and non-confrontational to assertive and business-like—can help address this double bind. However, the responsibility falls more to employers to foster awareness of bias among hiring managers and to incorporate structures and practices that mitigate against it, both to diversify their workforce and to benefit from employees who have negotiation skills.³⁴ (See the *Recruitment and Retention* guide.)

NEGOTIATE WITHIN AND ON BEHALF OF YOUR FIRM

Architects often need to negotiate with clients, communities, or project team members regarding fees, contracts, and challenging situations and within their firms about the distribution of resources or time.

- **Outline and know the firm's objectives.** Understanding the business model, cost structures, and project goals and objectives will help you negotiate well on the firm's behalf.
- **Advocate on behalf of others,** especially individuals from underrepresented groups for whom self-promotion can be perceived as negative.³⁵ Advocate for others and give credit where credit is due to manage unconscious biases in the workplace. If you are from an underrepresented group, form alliances with other employees for mutual advocacy.
- **Stay focused on shared project goals.** Build “front-end alignment” on project principles, and rely on them throughout contract implementation.³⁶
- **Attend to all project stakeholders who affect your team.** Project team members come from companies with a range of workplace cultures. They have their own company agendas to achieve, and

especially in the case of clients, there can be power differentials. Ensuring that your team thrives may require negotiation with others to identify differing expectations and norms and to find ways to resolve those differences.

NAVIGATE CONFLICT

Negotiating with those inside and outside of your firm as a form of conflict resolution will help you work through heightened tensions in ways that will leave all parties feeling heard and appreciated.

- **Learn how to effectively engage and interact with conflict.** Conflict is a natural part of the workplace, and deepening your understanding and broadening your skill set for working with conflict is critical for finding viable solutions.

FIRMS

Negotiating is imperative for firms to recruit top talent, retain employees, and develop strong working relationships with clients and consultants. Transparent and equitable negotiations help build a diverse workforce and increase inclusivity. Communication between negotiating parties about salary ranges, compensation packages, and negotiation policies is key.

BE TRANSPARENT AND EQUITABLE

Use transparent negotiation practices and policies to close wage gaps and to ensure that all job candidates know salary ranges and other available forms of compensation and benefits.

- **Mitigate bias in decision-making.** The perception that members of underrepresented groups, particularly women and black men, are pushy when they negotiate as assertively as white men, leads to inequitable outcomes. At the same time, implicit bias requires these same people to have to negotiate on their own behalf more frequently. Build awareness and intercultural competence in decision-makers and change inequitable decision-making processes and structures. (See the *Intercultural Competence*, *Compensation*, and *Recruitment and Retention* guides.)
- **Bring up salary range early in negotiations.** Be truthful. Don't exaggerate or lowball. Your candor will help candidates determine early on whether they want to pursue the position and be part of your firm.³⁷
- **Design compensation packages with guidance on what parts are flexible.** Determine which parts of the compensation package are negotiable and which parts are not. Share this information clearly with prospective and current employees.³⁸

- **Be open with employees about salary ranges and promotion criteria.** Establish a top end reserved for the most highly qualified candidates. You can also post salary bands with the description of the position to ensure that prospective employees know what salary range to expect and how to negotiate accordingly.³⁹ Maintaining transparency about salary ranges can help ensure greater equity in compensation and promotion.⁴⁰ (See the *Compensation* guide.)
- **Be clear about what authority your hiring managers have.** Be transparent and honest with candidates about who the ultimate decision makers will be and whether you have a policy that allows or prohibits salary negotiation.⁴¹
- **Research market demand and prevailing local salaries for the position.** Know what the current salaries are for specific architecture positions. Determine what the current market demand is for applicants.⁴²
- **Offer fair salaries and be creative with your compensation packages.** Fair salaries and a flexible compensation package can make your workplace more attractive as well as equitable. Combining fair salaries with an offer of other desirable benefits (e.g., a standard forty-hour week plus a choice of comp time or overtime pay; reimbursement for the Architect Registration Examination® [ARE], materials, licenses, AIA membership) will help you draw top candidates.⁴³ (For more details, see the *Compensation* guide.) If you can't be flexible with salary, find other ways to improve the compensation package and address employee objectives.⁴⁴
- **Remove anchoring bias.** Anchoring bias is the tendency to rely too much on initial data to frame our perceptions. When a recruiter learns the salary of an applicant, anchoring bias tends to lead to offers based on that prior salary. Since women and other non-majority groups are generally paid less than white men, removing anchoring bias can help to close pay gaps.
- **Equip employees to be effective negotiators.** Some of the ten keys to successful negotiating, published by the Human Resource Planning Society, include: being hard on the issues but gentle on the people; understanding that the other party's perception of the issue is your entire challenge; planning the first things you intend to say; and in firm negotiations, matching the negotiator to the situation and being clear about who is filling what role.⁴⁵

- **Provide negotiation training.** Training staff to be better negotiators enables them to become more confident and gain important skills that will help them advocate for themselves and the firm. Educate the staff in different styles and methods of negotiating in different contexts.⁴⁶
- **Understand the law.** Know how federal and state employment laws may affect negotiation. Many city and state laws prohibit queries about a candidate's previous salary.⁴⁷

CONSIDER PROFIT AND RISK

Negotiate with potential clients and partners in a way that carefully considers your firm's profit and risk.

- **Make value your basis for fees.** The business model of architecture can improve with a focus on value and metrics over service and hours. When negotiating fee and scope, consider value as foundational.
- **Become conversant with the ways of managing risk.** Evaluate the risks on a given project and establish your preferred strategy for managing them when you negotiate the contract. You may choose to take on more risk for a desirable project or greater profit; reduce it by improving your own knowledge; walk away if the risk is excessive and can't be reduced; allocate it to another, more expert party; or pay to transfer it, for example, to an insurer. These strategies require both the ability to assess risk and liability, as well as negotiation skill, once you have determined your desired outcome.⁴⁸

PROFESSION

Professional organizations can support equity with programs that provide compensation data and training in negotiation skills.

- **Continue providing and referring to up-to-date salary data.** Knowledge of salary levels in different geographic areas can help firms and employees alike in negotiating equitable, mutually agreeable compensation. The level of compensation required to attract new employees in the current architecture labor market can disrupt efforts to achieve parity among existing employees and requires attention to keep the two in balance. (For guidance on salary determination, see the *Compensation* guide.)
- **Provide training in negotiation skills.** Better negotiation skills support architecture in attaining parity with other professions and thereby retaining diverse talent. Offer negotiation training and opportunities to practice.

Consider

NEGOTIATING FOR EQUITY

I was so grateful that I was employed that I never really pushed for what I thought I needed and deserved. I just chose to jump ship: I'm not getting it here, so I need to go somewhere else. That's a large part of why I left corporate practice and started my own firm. I'm not very good at asking. In terms of negotiation, I think it is a skill that people with disabilities do need to hone, to ask for what you have a right to and what kinds of accommodations are reasonable in a workplace. There can be physical accommodations: your workstation, your schedule, other things that make it easier and more effective for you to do your job. I do think that with Americans with Disabilities Act in place, it's a little more clear-cut than when I was younger, in terms of what is a reasonable accommodation.

It's good for employers to know about the Job Accommodation Network, an independent federal agency that supports employers by asking questions like "how would you do that?" and "what are reasonable accommodations?" In the case of limited dexterity, "how are they going to work on a computer?" And, for example, there's a wide variety of equipment for low vision, so that shouldn't be a reason to say no to a qualified employee. But I don't know that architects have good information on accommodations. But, really, I think the important thing is for employers to know that if a person seems like they would be a great asset in terms of their work and their personality, don't let "how will we accommodate them in the workplace?" stop you from hiring them.

— Principal and Firm Owner, White, Female, Baby Boomer, Wheelchair User

DISCUSS:

- What concerns or fears might this person's past employers have had? What might they have done to encourage her to stay? What power dynamics may have been in play?
- What was the speaker's BATNA? What leverage might the speaker have had with her former employer before leaving? What principles or interests might the two parties have had in common?
- What are some of the perspectives and skills employers and employees need to be equitable negotiators? Are these different for people who need accommodations? Do you practice these in your workplace? Does your firm train or support employees learning to negotiate?
- What are the costs to the candidate and to the employer of not negotiating?
- What accommodations do people with disabilities have a right to that are non-negotiable? What are some reasonable accommodations for people with disabilities? Does your firm have good information on accommodations for people with disabilities?
- What are other things you can ask for during negotiation? What is non-negotiable for you?

Consider

I DON'T KNOW IF IT'S A CULTURAL THING.

Talking to my father I don't know if it's a cultural thing. A lot of my classmates working in tech and other fields change jobs more often [than he is used to]. I talked with my dad about negotiating. He said, "I don't think that's a good thing." He was CEO of a bank for 25 years. Whenever it came to raises and negotiation, he said 'I felt better if I offered it, as opposed to them asking for it.' That stuck with me, I'd rather prove myself and show my performance and the work I do through the things I do each day, rather than ask for it.

— Rising Firm Leader, First Generation Mexican-American, Male, 30s

DISCUSS:

- What expectations do you have about negotiating? Do you think your perception is influenced by particular people, culture, situation or all of these?
- Are there generational differences about what is appropriate to ask? How does the power differential play out in asking or receiving requests?
- What are potential strategies for making a request to a boss who believes what this one does?
- Is it a goal for good performance to eliminate the need for requesting a raise?
- Do you think the non-dominant speaker sets expectations for how vocal they will be about a raise? Have you seen or experienced a "double bind" where going against expectations about your identity makes it harder to ask for things?

Consider

NEGOTIATE WITH CONFIDENCE


For women to get jobs – it’s not easy. I remember after the recession the job market was pretty bad; it was just a matter of getting any job. But even after the market improved, the fact that we’re not taken as seriously as men made me so insecure that I rarely negotiated. My husband said to me every time I was offered a position: “You have to negotiate because if you don’t value yourself why would they?” But each time after hearing the offer I got scared and thought to myself, “This is what I deserve,” and that there are a lot of other candidates out there and if I don’t say yes, they’ll give it to someone else. But the last time that I negotiated, they improved the original offer.

I told them about my past experiences, and that I think I deserve more than this because I’ve worked on a number of high-profile projects in the past. (I’m not bragging, but I’ve got a pretty good portfolio.) However, they placed me at a mid-level position. I wasn’t sure what that level meant as well as its associated scope of work and responsibilities, but I knew I was past a mid-level architect. I said I deserved more than that: I’m changing my job to get a jump and a promotion; otherwise, what’s the point?

I also asked them to be a little more clear about my role, what projects they’re going to put me on because I’ve always ended up doing a lot of menial work, cleaning up after male designers. This happens to women so many times that it’s a pattern. We’re all architects, we all want to visualize our vision, but it’s always a bunch of guys who start the project. Then when it gets to construction documents or administration phases, the women coordinate the consultants. I’m honestly so tired of cleaning up after men. I also asked for more vacation. They said no. But they also said, “We’re investing in you. You have a very good portfolio and experience. We hope you’ll get your license.” They raised the offer just a little, but they didn’t give me the higher level.

— Full-time Architect, Large Firm, White, Female, 40s

DISCUSS:

- What possible biases affected the way the hiring managers approached this negotiation? What are some strategies firms could use to keep bias from entering into negotiations?
 - What assumptions were being made about the perception of women's work in architecture? What can you observe about the division of labor at architecture firms? Why did this person want to clarify her role during her negotiations?
 - What assumptions and biases have affected this person's willingness or reluctance to negotiate?
 - How does the double bind manifest for women who negotiate? What are some strategies that this prospective employee could use to mitigate the double bind?
 - Do you think this negotiation was successful? What do you think the negotiation gained for the speaker? And for the firm? What was lost?
- 

Consider


UNDERSTANDING YOUR VALUE

Coming out with a master's degree, even post-recession 2012 when I entered the market full time, the salaries I was being offered were pretty low: sub-\$40,000 a year, graduating with six figures of debt. Each time I was offered a salary, I had to make a counteroffer because I couldn't afford to live in this city and pay back my loans. When I was interviewing at a firm, a friend had just left that office, and she provided great mentorship. I learned I had to do research and talk about business points that made sense: what I was billed out at, minus overhead and profit margin, what percent of my billable hours I should fairly be expected to be compensated for. Talking about how high my rent is might build empathy, but they want to hear about what I've done in the office. Crafting my story, how I was valuable as an employee and contributor was something I had to learn.

I was transitioning from one office to another—that's key for millennials because we're not staying at one place for ten-plus years. Each shift is an opportunity to increase salary. When we're talking to firm principals, they've interviewed hundreds, but this may be only our second or third interview, and they use a lot of power plays. I was asked what my salary was, and I didn't know if I should tell them. They offered me pretty much the same salary, and then later I learned that there was a mandatory extra five hours a week of work at the new firm. It made me feel so devalued. That was a difficult start. I felt blindsided because I didn't know about the requirement for working hours. I probably should have taken a clue that they were all too busy to meet me before I decided to work there. Getting that perspective would have been super valuable.

— Firm Owner, White, Cisgender, Gay, Male, 31

DISCUSS:

- What did this person mean by “power play”? What responsibility do firms have to offer a living wage? What is the long-term impact on talent retention of offering low starting salaries?
 - What responsibility do you think graduating students and emerging professionals have to advocate and negotiate for themselves? How does salary pressure reflect on the profession and on firms?
 - How can architecture schools help students hone their negotiation skills? What can the profession or local firms do to support developing these skills in students before they look for jobs?
 - What did this person learn about building a business case to achieve successful negotiations? How might generational differences be changing the way we negotiate in architecture or when we negotiate? Do you think gender played a role in this story?
 - The speaker felt “blindsided” about an unknown requirement for extra work hours when negotiating, despite doing research. What “clues” would you watch out for prior to or during a negotiation that might affect your decision to take an offer? How can you get the perspective of other employees before taking an offer?
- 

Resources

NEGOTIATION BASICS

Architect's Essentials of Contract Negotiation – American Institute of Architects, John Wiley & Sons – Ava J. Abramovitz (2002)

Fundamental handbook of contract negotiation and long-term implementation; addresses the specific role of the architect in relation to all contractual parties.

Ask for It: How Women Can Use Negotiation to Get What They Really Want. Linda Babcock and Sarah Laschever. Random House 2008.

Concrete, step-by-step guidance for people who, because of the double bind, have to consciously moderate how they conduct themselves in a negotiation.

Getting to Yes: Negotiating Agreement without Giving In, Revised Edition – Roger Fisher, William Ury, Bruce Patton (2011)

Classic text based on the work of the Harvard Negotiation Project offers a method for negotiating business and personal situations and conflicts.

How to Negotiate Salary: Learn the Best Techniques to Help You Manage the Most Difficult Salary Negotiations and What You Need to Know When Asking for a Raise

<https://www.pon.harvard.edu/freemium/salary-negotiations/>

Detailed guidance for successfully navigating employment terms.

NEGOTIATION GAP AND DOUBLE STANDARDS

Do Women Avoid Salary Negotiations? Evidence from a Large Scale Natural Field Experiment – National Bureau of Economic Research Andreas Leibbrandt and John A. List (2012)

<https://www.nber.org/papers/w18511>

Studies have shown that women are less likely to initiate negotiations unless a job listing specifically notes that the pay is negotiable. Indicating that negotiation is allowed is one way to attract more diverse employees.

Getting the Short End of the Stick: Racial Bias in Salary Negotiations – MIT Sloan Management Review – Morela Hernandez and Derek R. Avery (2016)

<https://sloanreview.mit.edu/article/getting-the-short-end-of-the-stick-racial-bias-in-salary-negotiations/>

Review of both gender and racial differences in salary negotiation. A study on how white versus black job applicants negotiated as well as the effect of the biases, expectations, and perceptions of the employers on the results of the negotiations. Proposes ways companies can address racial bias in negotiations.

No Salary Negotiations Allowed – SHRM – Joanne Sammer (2015)

<https://www.shrm.org/hr-today/news/hr-magazine/Pages/0915-salary-negotiation-bans.aspx>

Explains the pros and cons of implementing a no-negotiation policy for hiring; includes alternative options to ensure an equal playing field for negotiation.

Social Incentives for Gender Differences in the Propensity to Initiate Negotiations: Sometimes It Does Hurt to Ask – Organizational Behavior and Human Decision Processes – Hannah Riley Bowles, Linda Babcock, Lei Lai (2005)

<https://www.cfa.harvard.edu/cfawis/bowles.pdf>

Investigates gender differences in willingness to initiate compensation negotiations and outcomes, including differing perceptions of men and women who initiate negotiation.

Women Don't Ask: The High Cost of Avoiding Negotiation – and Positive Strategies for Change – Linda Babcock and Sara Laschever (2003)

Enduring, quintessential, research-based guidance for people (not only women) who wish to develop skill and confidence at negotiating.

TOOLS AND TOOL KITS

Harvard Law School Program on Negotiation

<https://www.pon.harvard.edu/free-reports/>

Downloadable free reports on a range of relevant topics, including negotiation skills, salary negotiation, BATNA, business negotiations, deal making, conflict resolution, and mediation.

Negotiation Skills – Queensland Government

<https://www.business.qld.gov.au/running-business/marketing-sales/managing-relationships/negotiating/skills>

Lists tips and strategies for negotiation and lays out the process for a negotiation, including how to proceed when a negotiation fails.

Negotiation Advice for Women – Lean In – Ashleigh Shelby Rosette

<https://leanin.org/negotiation>

Series of four videos with tips on how to approach a negotiation, including both general advice and tips for counteracting the specific stereotypes that women face in negotiating.

Women’s Leadership Edge

<http://www.womensleadershipedge.org/>

A wide array of tools to help organizations support, advance, and retain women, with parallels in engineering and law.

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FIRST EDITION
Part II - Released June 2019
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American Institute of Architects (AIA)

The Guides for Equitable Practice are authored by a research team based at the University of Washington, under the direction of Renée Cheng. The guides are written by Laura Osburn, Nancy Alexander, and Renée Cheng, with Cozy Hannula. The guides are designed by Vadim Gershman and published with the support of the American Institute of Architects Equity and Future of Architecture Committee.

The views expressed are the views of the authors, not necessarily those of the AIA.

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