Hurdles
Principles
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Hurdles
Why don’t people negotiate?

Feelings about negotiating

- Confident
- Anxious

Berkeley School of Information
Hurdles to negotiation

49% of all US Workers accept the first offer.¹

43% of US Workers surveyed asked for a raise in 2014².

• Anxiety
• Put too low a price on skills / experience
• Unprepared
• Avoidance of confrontational conversations
• Afraid of appearing greedy
• Afraid of losing the offer

¹ 2013 Survey by CareerBuilder, Article Links HERE and HERE.
² 2014 Survey by PayScale.
75% of workers who asked for a raise in their current field were successful.

2015 Study by PayScale
Hurdles to negotiation

Gender Differences:
50% of men negotiation, compared to 12.5% of women

- In surveys, 2.5 times more women than men say they feel a “great deal of apprehension” about negotiating².
- Women are more pessimistic about how much is available when they do negotiate and so they typically ask for and get less when they do negotiate – on average, 30% less than men².
- When asked to pick metaphors for the process of negotiating, men picked “winning a ballgame” while women picked “going to the dentist².”

2. Women Don’t Ask
Principles
Principles of negotiation

It is not a confrontation, but a collaboration

- Negotiating affects relationships and reputations
- The conversation is about information gathering and problem solving
- Both sides needs to feel invested, like they’ve “won”
- You can always make a bigger frame
Do not underestimate the power of likability + logic.
Principles of negotiation

You have power in negotiation
• They think you are talented and a good fit.

They might be uncomfortable too
• When was the last time they had this kind of conversation?
• They may be afraid of what you might ask.

Your preparation and creativity set the tone
Negotiation is expected. Unless the company clearly states otherwise.
You don’t have to negotiate.

But you do have to ask a few questions.
Preparation
Understand your value

Do general research on industry rates:
- Glassdoor.com, Salary.com, Payscale.com
- Startup Salaries: Angel.co/salaries, Weathfront
- I School Career Reports

Talk to your network
- Ask others “what salaries do people typically make at X? or in Y positions?”
Understand needs/wants

Take time to understand the needs and wants of each party, including:

• What makes you/them excited about the possibility of you working for the organization?
• What do you need out of the offer? What are deal-breakers?
• What do they need out of a candidate? What are their deal-breakers?
• What options do you/they have besides you joining the organization?
Research

Research organizational culture, policies, norms, etc.

• What salary range should you expect?

• What is the review cycle? What are the opportunities for career advancement?

• Where does your position fall in terms of org structure? How does it align with positions outside the company?

• What is negotiable? Take time to understand their constraints.

Research organizational culture, policies, norms, etc.

• If bonus / stock is involved, what are the timelines?
Understand the complete frame

- Perks
- Sabbatical
- Relocation package
- Benefits
- Location
- Signing bonus
- Retirement
- Tuition and training
- Research funding
- Work/Life Balance
- Accelerated review
- Schedule
- Office
- Hours
- Equity/ownership
- Relocation
- Base Salary
- Time off
- Transportation benefits
Set aspiration & resistance pts

What is your aspiration point?
• Considering entire package, what are your ideal scenarios?

What is your resistance point?
• In what scenarios would you be willing to walk away?
Should you strive to have another offer in hand before negotiating?
Communication
Methods of communication

Always discuss in person or via phone.

Pay attention to tone, body language, etc.
  • Consider practicing mirroring to establish rapport.

If meeting in person, try not to sit on opposite side.

Ask open-ended questions
  • NO: “Is there flexibility in the base compensation?”
  • YES: “What is the flexibility in the base compensation?”

Be solution-oriented and positive
Show interest and be positive.

People don’t want to expend political or social capital to get approval if they suspect you may say “No, thanks.”
Receiving an offer

Accept the offer graciously - be positive!

Ask for the offer in writing so that you can review.

Set at time in the future to touch base.

What if the offer is much lower than you expected?

• It is ok to let them know that you are disappointed.

• Also a great idea to ask questions so that you can understand their position.
Be prompt in making your decisions and scheduling time to negotiate.
Techniques
The basics

Wait until you have a written offer to negotiate.

Negotiate in person when you have a choice.

Remember, silence is your friend.

Questions are a great tool!

Try not to state the first number.

- Can “cap” salary negotiations.
- May anchor the negotiation in the wrong direction.
Be thoughtful in what you ask for.

Companies are unlikely to accept an ask for a 20%+ increase.
What are your salary expectations?

Delay
• “I would love to learn more about the position…”
• “Before stating a salary range, it would be very helpful to know more about the responsibilities so I can get a sense of what you need and then do a bit more research.”

Inquiry
• “What is the range you were thinking for this position?”

Market Rate or Range
• “I’m very interested in the opportunity and would consider anything that fits the industry standard.”
• “Based on my research, I believe an appropriate range is…..”
Examples:

I was very excited to receive your offer and am looking forward to joining the team. I was expecting a bit more in the base compensation, based on my experience and the industry standard. What flexibility is there for this?

- Excitement, enthusiasm
- Let them know your expectations
- Open-ended question
Example:

I understand where you are coming from, and I just want to reiterate that I do think I add high value to the team and that this would be a great fit. I think my skills are more in the range of X to Y.

- Express understanding
- Let them know your expectations
- Allow for silence
Example:

I appreciate the offer, but in my research I found that a base salary for someone with my background and skills would be a bit higher. I was thinking something like [specific number].

• Express appreciation

• Let them know your expectations / research

• Propose a specific number, and then allow for silence
Example:

I understand if the base compensation is a bit fixed; what possibilities exist in the rest of the package?

• Express understanding

• Open-ended question
Watch to be sure you do not become apologetic.
What do you do when:

They won’t budge?
• Ask questions to understand their position.
• After the conversation goes “back and forth” a few times, you need to accept that it may be non-negotiable or run the risk of harming the relationship.

They ask, “what were you thinking?”
• Try to present a range.
• “I am really most interested in finding a job that is the right fit. I’m sure whatever salary you are paying is consistent with industry rates.”

They ask if you have other offers.
• Do not lie! Tell them about (potential) offers.
What do you do when:

They ask what I was making in my previous position?

• If the previous position was different from the current one you are applying, let them know how it is different and why the salary should be different as well.

• Let them know that you have/are gaining new skills which add considerable value that you will bring to the new role, so the previous salary is not really applicable in this case.

I have multiple things to negotiate?

• Negotiate the entire package, but be clear of the relative importance of each item.
Sample techniques/methods:

**Negotiation Sandwich:** Positive + ASK + Positive

**Information Sharing:** Law of reciprocity

**Acknowledging both sides**

**Persuasive Logic**
- Equity-based fairness
- Equality-based fairness
- Needs-based fairness
Be careful of using persuasive logic as qualifiers.
Your goal should not be about getting the most money possible.
Successful salary negotiation is about both parties feeling they have done the best deal.
Resources

• I School Negotiation Worksheet
• 15 Rules for Negotiating a Job Offer
• Why Women Don’t Negotiate Their Job Offers
• How to Negotiate Salary: 37 Tips you need to know
• The Exact Words to Use When Negotiating Salary
• How to Negotiate Your Next Salary
• Half of U.S. Workers Don’t Negotiate Job Offers, Survey Finds
• The Essentials of Job Negotiations: Proven strategies for getting what you want
• Asking for a Raise Actually Works Most of the Time
• PayScale’s Salary Negotiation Guide
Questions?

Thank you!