



Salary Negotiations

How to get what you're looking for without losing it entirely – Part I

By **David G. Jensen**
Contributing Editor

MANY OF US HATE THE THOUGHT of entering a negotiation. Coming face-to-face with someone who has the power to win an important contest can be unnerving. But win we must, whether it is in buying a car or negotiating a salary package. It's an experience we can't escape, and whether we like it or not, negotiation is no less important early in life than later on. Yet you can get all the way to a Ph.D.—and well beyond—without learning anything about negotiation!

This could be changing soon. Recently, I was asked by a group of 50 department heads and professors from many of the nation's top research institutions to teach a course on salary negotiation at their annual get-together. The goal wasn't to teach them salary negotiation skills, but to show them *how to teach these skills to others*. "Managing Your Career" this month and next will highlight aspects of negotiation that I covered in this course and that you may find helpful in your efforts to secure the best employment offer possible.

Why Be Afraid of Negotiation?

Why do so many people choose not to negotiate a salary offer? This negotiation will affect their quality of life for many years; if a 15-minute conversation can have such a large and lasting impact, why not pursue it?

It is because negotiating makes people uncomfortable. That's right: many people sacrifice long-term financial security because of a slight, temporary feeling of discomfort.

Move past this. After a couple of decades of being the middleman between hiring managers and candidates, I can tell you that the hiring manager is just as uncomfortable as you are when the conversation turns to salary. I've heard behind-the-scenes comments like this one a number of times: "I'm stuck with our human resources department guidelines for this job offer and I really don't think it is very competitive." That's not something hiring managers usually say to applicants, but it may show you how the other side feels about a negotiation; it's something they'd prefer to avoid if they could. Furthermore, the fact that the hiring manager isn't quite as comfortable as you might think with her bargaining position indicates that there's often some vulnerability.

And yet, there always seem to be people who accept on the spot and who do nothing to improve their situation. If you take no other advice from this month's column, please remember that you are on an even field with the person presenting your offer; in fact, you probably have the upper hand. Once a decision has been made that the organization wants you – they really want you. It is difficult and time consuming to get to the offer stage, and when the company has crossed that threshold

they want to close the deal. Once the offer has been made, the advantage passes to you.

Set the Stage

It would be a mistake, however, to emphasize your advantage too much. It's an atmosphere of *mutual interest* you need to fuel and maintain. From the moment an interest is shown in making you an offer, seize the opportunity to show that you consider yourself a part of their team.

Let's say that you are asked whether you are interested in the job and in discussing the terms of an offer. Which of these two responses do you think would lead to the most productive discussion?

"I'm happy to talk that over with you. Of course, I can't make any commitments today, because I am still in discussion with three other companies and have a second interview next week with one of them. But in a general sense, yes, I'd like to move the discussion forward and get some numbers on the table."

Or,

"I'd be happy to hear more. From today's meetings and in my previous discussions with Dr. Smith, I can tell you that this is a job I could do well and one I would be quite happy doing. So I'd be anxious to hear more about what you have in mind. I could definitely get excited about working for ABC Pharmaceuticals."

When I ask seminar audiences about this pair of responses, at least half said they thought that the first response is the strongest. The reason, I think, is that it has the sound of a professional negotiator. My audience believes this is where I am trying to lead them in order to maximize their salary offer.

And therein lies a trap.

Getting Caught Being Someone Else

There's nothing worse than feeling like an imposter. And that's exactly how you may feel if you put on a "hardball negotiator" hat and start acting like that sales manager at your last car purchase. Many technical professionals don't make the transition to hardball negotiator well; they are often uncomfortable in that role. Also, other scientists and engineers don't like to deal with hardball negotiators.

People hire people they like. The moment you start pulling

David G. Jensen is the founder and chief executive officer of CTI Executive Search, a unit of CareerTrax Inc. (Sedona, AZ). CTI is a leading recruiting firm in the biosciences. You can reach Dave at (928) 282-5366 or via davej@commspeed.net.

some kind of hardball negotiation tactic like answer #1 above, you lose that 'like factor.' Your negotiating position will be gravely damaged if by the end they've decided they're not sure they want to work with you after all.

So just be yourself. Sure, you're going to be prepared and sharp, asking questions instead of sitting back and nodding "yes" to all that is offered (or isn't). But this doesn't mean that you can't tell them that you really *do* like the job, and to reinforce the idea that selecting you for the position was a good idea. Put aside the thought that you need to somehow hide your feelings of enthusiasm; this is the time to make sure they know you are interested. *Enthusiasm is good.*

How To Handle the "Expected Earnings" Question

NO ONE LIKES A "CANNED" response to a tough interview question, and this applies equally to the salary question. Nevertheless, it can't hurt to consider a few strategies that work so that you can put whatever seems most appropriate into your own words.

Strategy 1: Delay Your Response

"I really need to think about my visit here today and what I know about the job responsibilities before I can answer that question."

Strategy 2: Compare Yourself to Others

"Can you tell me what range of salary you have for other employees with a similar education and experience level to mine?"

Strategy 3: Make a Candid Request for Advice

"John, perhaps I should rely on your help here. You've been in the industry for many years and I am sure you have a better handle on what might be appropriate for experience like mine. What number would you find competitive if you were in my shoes?"

Strategy 4: Turn the Question Around

"I'm expecting that you'd offer me a competitive wage, but what that might be is probably best determined by how I fit into the range of experience of other employees. What range did you have in mind for this job?"

This sidebar appeared in a previous column.

By the way: even if it's true that you have other interviews and are in negotiation with several companies, that doesn't mean it's a good idea to share this information. Sometimes, technical people become a hot commodity in certain niches, leading to a few offers at the same time. In this situation, it's really easy to start talking about those offers and fall into what could be called a "bidding war." But many employers will go out of their way to avoid this – some even walk away from the table. Even if they ask about other offers, it's usually best not to

bring up your dealings with their competition. Don't get caught using one firm as leverage on another . . . many people feel that borders on the unethical.

Good Questions / Bad Questions

Some salary questions are easy and straightforward, while some are sneaky and uncomfortable. It doesn't matter what size company you're dealing with; it can go either way in any firm, and it happens to fall back upon the attitude of the person extending the offer. Some managers like to play games. Others are all business when they extend an offer.

A common straightforward approach is to ask for information on your present salary: "Susan, please tell me what you earn currently." No hidden agendas, no complications. Just someone seeking facts, and I would qualify this as a good question. There's nothing wrong with asking it, and there's nothing wrong with answering it—as long as you answer it effectively.

There's only one appropriate answer: the truth, with context. "I earn \$52,000 now as a Engineering Associate,"—the truth—"but I don't see that my present salary has all that much to do with the work involved at ABC Pharmaceuticals." In short, the company may need to know what your salary history has been, but they shouldn't hold it against you or try to compare apples (your present salary) with oranges (your prospective salary offer). If you are thinking of inflating your current salary, remember that companies often check with your previous employer to verify your wage, even after you've started the new job.

Here's an example of a sneaky question: "Tell me, Susan, what would your desired salary be as an employee of ABC Pharmaceuticals?" Even though I call it sneaky, many people ask this question because the negotiating neophyte often goes right ahead and answers the question—which makes the employer's job a heck of a lot easier. So don't do it. The rule here is, "He who gives a number first, loses."

If you gave in and provided a number, and that number is too high, you've aced yourself out of a job offer in 30 seconds. If the number is too low, you've just cut down your lifetime earning potential because every subsequent salary increase you get will be based upon your starting wage for this job. It's best to turn the question back to the executive, with something to the effect of, "I'd expect a competitive salary in the middle of the range you pay others with similar experience, or perhaps slightly above. So what is the salary range at ABC for a BS Chemical Engineer with two-to-three years of relevant experience?" For more information on dealing with this question, see the "Expected Earnings?" sidebar.

What Items Can Be Negotiable?

This month, we've discussed how to start your salary conversation with a prospective employer and the general approach you should take. But the devil is in the details, and I'll get to those next month. Those details will include the various components of a job offer, including benefits, stock options, and perks, and how you can influence them throughout the negotiating process. ■