



Salary Negotiations

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

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IN THE FIRST INSTALLMENT IN THIS SERIES, I described a few general concepts that you need to know about in order to optimize your next job offer. If you haven't yet read last month's column, it may be wise to start there, as I'll be referring back to it occasionally. In this "episode," I'll add another broad concept and then move to a discussion of the strategy that should be a part of your pre-negotiation thinking.

The seminar I referred to in last month's column was presented in Aspen, CO to a group of about 50 professors and department heads; this teaching experience taught me far more about negotiation than I expected. I found the role-play exercise we did especially interesting; it is quite a sight to see senior staff from some of the nation's top research institutes acting like young scientists looking for their first industry job!

My Recent Experience Teaching Negotiation

I had a great time with this group of senior staff discussing the job-offer negotiation strategies they need to teach their grad students. But the most fun definitely came at the beginning of my workshop, when I divided the audience into 25 groups of two people each.

One senior staffer played the role of a department head, and the other participant was a scientist applying for his or her first job. I gave all the participants a confidential information sheet, which they could study prior to the beginning of this 20-minute exercise. These sheets described the unique situation their role-play persona was in. (The department head had problems with the boss and the budgets; the applicant had issues with a spouse, another job offer, the lousy local job market, and a handful of other real-life concerns.) But neither 'player' had an idea what the issues were behind their partner's negotiation posture, unless they discovered it themselves.

The stated goal of the exercise was to close the deal in 20 minutes, but I had a hidden agenda. I wanted the participants to see how important it is to pay attention to and to learn about their counterpart's issues. As in a game of Battleship, proper questioning — along with excellent listening skills — can tell you a lot about where the issues lie on the other side. Here's an example of what I mean:

Maria, the candidate, noticed that her prospective boss kept emphasizing the required travel to another manufacturing site, and she decided to use this knowledge as leverage. She worked out a deal where she would travel more than she originally anticipated in return for her boss's approval to work one day a week out of her home office. This was perceptive and smart.

She had front-loaded the negotiation with a requirement she knew could be given up later, knowing that she could use this as leverage in order to get out of a massive commute one day a week.

As I watched and listened, wandering the room to take in pieces of as many of the negotiations as I could, I noticed that some people had used the preparation time and materials to develop a strategy, and others were just winging it.

One of the single most important things you can do in advance of a negotiation like this is to learn as much as you can about the other party's needs. When you feel that you know why they are interested in you and what exact need you meet for them, you can then develop a strategy around this information that allows you to get what you need from the process. Here's someone else from our role-playing who used what he knew about the other party in a strategic attempt to lessen the impact of his too-low salary offer:

Joseph, a department head, started out by discussing the spouse of the applicant and how the company may be able to help her find employment. (The issue of a second career in a new city was already on the table.) Knowing that there was actual, material help he could offer this couple was a negotiating strength for him but a vulnerable area for the applicant. Later, we discussed his strategy; the offer of help was sincere, but it also offset the lower-than-expected salary he had been forced to work with.

My attendees that day had only a few minutes to read their information sheet and form a strategy. This left many of them to improvise. Improvisation is another skill that benefits the negotiator, but the ability to think on your feet and move through a situation with grace is a skill not easily taught. Here's an example I witnessed at this session from a fellow who had no strategy at all, except for a genuinely open and friendly attitude (which by itself has been known to salvage a negotiation for the unprepared):

Ashwin, a department head, broke the ice with this request: "Tell me what you need to be happy in this job, and I'll add something to that so you'll always remember it was the best decision you ever could have made."

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When I first heard this at the role-play, I thought that it was a very savvy way to get the candidate to put all his cards on the table. Later, I learned that the boss was far less cunning; he was just trying to “start things out on a friendly footing.”

What's Negotiable, and What Isn't?

Job-offer packages are complex, with a lot of ingredients, yet most of us judge an offer solely on salary, or — for the biotech hire — salary and stock options. Although the emphasis is always on salary negotiation, it would be a mistake to assume that salary is the only element of a deal that you

Six Strategic Moves in an Offer Negotiation

- 1) One classic negotiation technique is called “the flinch” in negotiation circles. When a hiring manager extends you an offer, he or she is watching your reaction. This is not the time to use the deadpan expression of a poker player. Instead, react with a slight but visible flinch. This sets the stage for the following discussion.
- 2) Plan your concessions. Know which of your issues are most important and which ones you are OK with losing. Peel off a few that you don't really care about to help you win the ones you do.
- 3) Learn as much as you possibly can before the meeting about what may be important to the other side.
- 4) Don't be afraid to use a deadlock as a negotiation ploy. Standing your ground may force your opponent into revealing how important you are to their organization. This is a last-ditch strategy, however; they may also withdraw the offer.
- 5) Do you have a small request that can wait until after your agreement? Sometimes, employers are so glad to be done with the process that they'll allow you to come back for more once the negotiation is over. But don't go overboard, or they may reconsider their offer.
- 6) Be friendly, keep your antennas up, and learn as much as you can about what is important to the other side. “Don't build walls; build bridges,” says Chester Karrass, negotiation trainer and speaker.

should negotiate. Some elements can be fine-tuned to make the whole into more than the sum of its parts. Negotiation should never be thought of as a zero-sum game; if the deal is good, everybody benefits.

Here are the ‘usual’ items in the laundry list of job-offer items for discussion: salary, stock options, incentive pay, hiring bonuses, benefits, moving expenses, vacation time, starting date, decision date, travel support for conferences, administrative support, technician or support personnel, job responsibilities, and work schedule.

As this list indicates, there are lots of issues to be discussed. Decide which issues are most important to you. Develop a strategy for your negotiation that involves keeping the things you can't live without while being willing to give way on the items you find less essential (as Maria did, above). As my friend Laurie Weingart of Carnegie Mellon says in her negotiation presentations, “Give them what is important to them (but not to you), in exchange for something that is important to you (but not to them).”

The difficulty comes when trying to figure out what is going to be negotiable and what isn't. That's where the rub is for this writer as well, because it's different in every organization. In a general sense, if the issue only affects you, it will fall into the “negotiable” category. If it has broad implications for other employees, it probably isn't negotiable. There are some sticky wickets, however, that make it difficult to label this as a general rule.

For example, although vacation days and the number of scientific meetings you get to attend per year are generally set by institutional policy (because they affect everyone), your supervisor may have some flexibility on those, because he or she manages their implementation. That's why some people get a little extra vacation time or an extra meeting or two per year.

Salary is the stickiest wicket of them all. That's because some companies see this as an area with an impact on everyone in their organization, especially those at a similar level of education and experience. It's an equity issue: Did you ever wonder how much a colleague is making, only to discover it's more than you earn? How did that make you feel? Not good! That's why some companies see the salary offer, and even issues such as stock options and bonuses, as non-negotiable. I call these companies “first offer, best offer” employers; they extend what they believe is a fair offer the first time, and if you don't like it — well, you know what you can do.

But even in a “first offer, best offer” environment, you can still manage to find some wiggle room in areas in which your new supervisor has oversight. Although it may not be stock options or salary, you may be able to work towards an extra week of vacation or a new laptop computer.

How Do You Know If You've “Won”?

Not everyone has the philosophy of Ashwin, the boss who just wanted it to work out well for both parties. Some people will fight for every advantage and seek to “win” at all costs. Nobody likes to run into these types, but it happens. When it does, you may have to reflect on the big picture to see whether the job still fits.

Sometimes the end result — the job — is worth giving up more than you had planned. Just remember what Shakespeare wrote in *The Merchant of Venice*: “He is well paid who is well satisfied.” It's not always about money. ■