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Business Basics

How To Negotiate Your Salary

Susan Adams, 02.10.10, 3:00 PM ET

I mentioned to an advertising honcho friend of mine that I was thinking of writing a story on how to negotiate salary in job interviews. My friend, who is in his 50s--we'll call him Don--was inspired to write me a 10-point memo on how he's done it. Don likes to play hardball.

Don's tips include such advice as "If they've decided on you, you got 'em by the balls," and "Lie about your previous salary." Among other things, he suggests, go to your present boss, tell him you have an offer, and then "lie about how much the new job is offering and see if you can get more. Negotiate back and forth, depending on which company you want to end up with and how many bridges you want to burn."

In Pictures: How To Negotiate Your Salary

So successful has Don been at manipulating employers that one year he wangled two different six-month severance packages. "I made 12 months in severance pay and worked only five months," he wrote.

But then at the end of his advice laundry list, he included a coda: "Of course, this was all then." He continued: "Now, I beg. I grovel. I take whatever anyone wants to give me. I suck up in ways that would shock others. I thank them profusely, lie to make myself younger and tell them about my nine sick kids so they don't fire me." One more thing: "If they make a cultural reference you don't get, just say, 'Whatever.' Apparently, that means you know."

What's a job seeker to do in the current, brutal climate? I interviewed three job search experts and found that Don's old tricks are not completely obsolete. Though none of my sources liked the idea of lying to an employer, they all agreed that some of his advice had merit, like demonstrating to an employer that you are valued by other employers and using severance pay as a bargaining chip.

First, about lying. "It's highly counterproductive," says Orville Pierson, senior vice president at the outplacement firm Lee Hecht Harrison and author of *The Unwritten Rules of the Highly Effective Job Search*. "The person you're talking to is going to be your next boss. Your career depends on your reputation."

Rusty Rueff, author of *Talent Force: A New Manifesto for the Human Side of Business* and former head of human resources at PepsiCo and Electronic Arts, agrees. Rueff says job seekers should be transparent about why they need to make a particular salary. "It's just like applying for a mortgage or a student loan," he says. "The hiring manager wants to know there's a rational explanation behind what you're asking for." For example, if a company wants you to move from San Jose to New York City and you have two kids in private school, go ahead and tell the hiring manager that you're going to be needing \$68,000 to cover tuition.

Nevertheless, Pierson and Rueff add--and Roy Cohen, a veteran career coach, agrees--the salary discussion is most certainly a negotiation, and it pays to establish yourself as a valuable commodity desired by others. "It's all about demonstrating that you are the best person to help the employer address any challenges that may exist," Cohen says, "that you are going to change the course of history at the organization." He advises you to continue to demonstrate your value throughout the negotiation period, by offering solutions and strategies at meetings and in follow-up e-mails.

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Cohen, author of the forthcoming *Wall Street Professional's Survival Guide*, also says it's good to have competing offers, or at least competing conversations with prospective employers, and to let hiring managers know about it. "The only way you remain

exciting to an employer is by giving the impression that you are dynamic and busy, that you're consulting and you have other conversations going on," Cohen says.

At the same time Rueff and Pierson advise applicants to appear humble. You should be confident, but not cocky, Rueff says. "If you look like an egomaniac, you're going to turn people off," notes Pierson. He suggests that you go to interviews prepared with stories to tell that illustrate your accomplishments and your values.

When you start negotiating, be well prepared for that, too. First, think hard about what's most important to you, including salary and anything else from the non-compete clause to the office where you'll sit. What are you willing to give up? What is make or break? For some applicants, the size of the paycheck may not be as important as vacation time. Severance is a good negotiating item, because it costs the employer nothing up front.

Then be sure to research your employer, educating yourself about perks, employee policies and general compensation practices. Web sites like glassdoor.com can help. At [glassdoor](http://glassdoor.com), where Rueff sits on the board, you can find the compensation levels for specific jobs at thousands of companies. Using LinkedIn can be another efficient way to get background on a company.

How should you handle it when a hiring manager asks how much you currently make? Cohen says it often makes sense to use a delaying tactic, like saying, "I want to figure out if there's an opportunity for me here." Or if you're coming from a low-paying job, for instance at a nonprofit, and want to make a lot more, you can say to the hiring manager, "I'm sure you know I'm coming from a lower-paying industry where salaries are not in line with the private sector."

Finally, negotiate in person whenever possible. Once you get to the salary discussion, the employer has decided she wants to hire you. Nevertheless, if you're sitting in front of her, says Cohen, "there's more of a commitment." It's a lot easier to get someone off the phone than to dismiss a prospective employee from your office. Stand your ground.

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