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Compensation Negotiation



Sherry Steinaway
Associate Director
Organizational Development

O. Ray Angle
Assistant Vice President
Career & Professional Development

OVERVIEW

- Introductions
- Begin at the Beginning
- Guidelines and Tips
- What's Different for Women?
- Emotion

WHAT YOU NEED TO KNOW

- **Know what You are negotiating for**
 - Negotiate for your happiness (book Designing Your Life)
 - Negotiate for your long-term success
 - Negotiate for your total compensation
- **Develop Your own scoring system**
 - Know what you truly value
 - Write it down
- **Get out of Your own way**
 - Don't overlook what you truly value
 - Understand what may be holding you back, know your value
 - Understand your relative bargaining power
 - Understand that you may hear no, but don't use that as an excuse to think you can't ask
 - Emotion
- **Tailor Your strategy to your organization and context**
 - Know what is negotiable for your role
 - Know the typical parameters for raises (%)
 - Think about the best style for the negotiation

GUIDELINES

- Do your research first; be prepared
 - Average salaries for a person with similar skills and qualifications
 - DOL Employment and Earnings Monthly (very complex)
 - Occupational Outlook Handbook or O-NET (ball park figures)
 - Professional association salary surveys
 - www.livability.com
 - Cost of Living Index: www.coli.org (charging for this service now)
 - Salary re-calculators (PayScale)
 - Employer's salary history
 - Is there a published salary scale?
 - Salary compression concerns

GUIDELINES

- Negotiate only when you are prepared and ready to address the issue
 - Turn the employer away politely if salary questions arise prematurely
 - Never negotiate on the spot; ask for time to consider
 - Negotiating prematurely may impact your commitment to the organization later (poor morale because you are the lowest paid person)
- Know your bare bones minimum salary (lots of complex issues)
 - Never accept an offer that is below that number
- Develop your range
 - The higher the salary, the wider the range
 - A 10 to 20 percent range is acceptable
 - “. . . . this is negotiable depending upon other job factors and benefits.”
- Factor in ALL of the components of the offer (**see handout**)
- Listen and ask a lot of good questions
- Know your BATNA

GUIDELINES

- If you want to negotiate
 - Ask “Is that offer negotiable?”
 - Other statements . . . “I’m surprised by the offer considering . . .
 - Reiterate your interest in the employer and the position
- If you negotiate
 - Focus on your qualifications and the job requirements, NOT on your debt, expenses or other offers
 - Negotiate for the RIGHT reasons (manage ego and emotion)
 - Consider negotiating other options related to your values
 - Leave time, accelerated review with merit pay, telecommuting, flexible work schedule
- Don’t negotiate if you don’t need or want to
 - Negotiating is a calculated risk
 - Negotiating may set the tone for your working relationship with your employer

WHAT'S DIFFERENT FOR WOMEN IN THE US

- Women may be seen as ungrateful or too demanding – must be thankful to be at the table – when asking for a raise
- Women make less than Men (data from US Census – American Community Survey)
 - In WA State – women overall - \$.79 to \$1.00 (2018)
 - African American Women - \$.62 to \$1.00 (2013-2017 average)
 - Latinx Women - \$.48 to \$1.00 (2013-2017 average)
 - Native American Women - \$.63 to \$1.00 (2013-2017 average)
 - Asian Women - \$.80 to \$1.00 (2013-2017 average)
 - Native Hawaiian and other Pacific Islander Women - \$.51 to \$1.00 (2013-2017 average)
 - White, non-Hispanic, Women - \$.75 to \$1.00 (2013-2017 average)
- Men with Bachelor's degrees make more than Women with Master's degrees
- Women tend to negotiate for 30% less salary than Men
- A third of working women say they have never asked for a raise
- Men's salaries plateau in their late 50s to mid 60s, Women's salaries plateau in their early 40s
- In WA State- Top 2% of Pay Earned, Average Salary
 - For Men - \$440,000
 - For Women - \$170,000
- At our current rate of change, it would take 208 more years to achieve equal pay for equal work between men and women

EMOTION

- Regulation emotion in negotiation
 - Suppression
 - Reappraisal
- Emotion provides unique information
- Be prepared – anticipate your reaction
- Practice with a trusted partner

RESOURCES

- NYTimes.com – Working Woman’s Handbook
<https://www.nytimes.com/guides/working-womans-handbook/salary-negotiation-woman>
- Harvard Law School – Program on Negotiation (pon.harvard.edu)
 - Salary Negotiations Free Report
 - BATNA Basics
- National Women’s Law Center (nwlc.org)
- Equalpaytoday.org