Fearless Salary Negotiation
Case Studies

Case Study 1

Name: Kevin

Industry: Retail sales management

Issue: Kevin disclosed his current and desired salaries early in the interview process, then later realized his stated desired salary was too low.

Case Study 2

Name: Ashley

Industry: Software consulting

Issue: Ashley was prepared to accept a lateral move to a new company, but realized she underestimated her market value.

Case Study 3

Name: Jason

Industry: Software engineering

Issue: Jason was reticent to negotiate an already-strong job offer. He didn't want to seem greedy or ungrateful.

What are these for?

Fearless Salary Negotiation is a step-by-step guide to getting paid what you're worth. It's extremely tactical and streamlined so you get exactly what you need and apply my methodology to your specific situation.

We learn from experience. That's where these case studies come in. These are real examples where I helped someone work through an issue to maximize their pay during their salary negotiation.

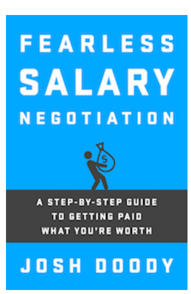
These case studies focus on three major topics from *Fearless Salary Negotiation*: market value estimation, interviewing, and salary negotiation. These examples illustrate how a thoughtful approach to salary negotiation can be lucrative and help you get paid what you're worth.

A couple notes: I've changed each person's name, and I'll refer to their current or previous company as "Old Company" and their new employer as "New Company".

Resources for further exploration

Fearless Salary Negotiation is a #1 Best Seller in Job Markets & Advice and Vocational Guidance on Amazon.

If you're reading these case studies but have not read the book, here is where can learn more about the book or buy it on Amazon:



- Learn more about *Fearless Salary Negotiation* and get a free chapter at FearlessSalaryNegotiation.com
- Or buy the book on Amazon at FearlessSalaryNegotiation.com/get

Summary

Name: Kevin

Industry: Retail sales management

Issue: Kevin disclosed his current and desired salaries early in the process, then later realized his stated desired salary was too low.

Case Study 1—Kevin

Kevin had been with Old Company for about 10 years and felt his salary and opportunities were stagnant. So he was pursuing a similar role at New Company, where he would have more opportunities and room to grow. He also hoped to increase his salary as he and his wife had just had a new baby.

So his goals with the transition were to continue to grow, find new opportunities, and increase his pay.

A mistake

During his interview, Kevin gave New Company an answer to *both* parts of "the dreaded salary question"—he disclosed his current salary and his desired salary (see the “How to ace your next interview” chapter in *Fearless Salary Negotiation* for more on the dreaded salary question). Specifically, he told New Company that he was currently making $84k per year and that he would like to get up to about $95k per year.

Based on those two numbers and Kevin’s interviews, New Company offered him $90k per year in base salary plus their standard benefits package. Kevin asked for more information about the benefits so he could compare packages at New Company and Old Company.

The challenge

This is where we began working together. Kevin quickly realized two things. First, after some additional research into his market value (see the “How to how to estimate your market value” chapter in *Fearless Salary Negotiation* for more information), Kevin realized he was probably more valuable to New Company than what they had offered him ($90k per year). Second, he realized that there were significant differences between the benefits packages offered by New Company and Old Company; his insurance premiums at New Company would eat into his take-home pay more than he anticipated.

New Company’s offer of $90k per year was almost exactly in between his previously-stated current and desired salaries. So his negotiation window was confined to $90-95k—the range of salaries between New Company’s offer and his desired salary.

Given his market research and new understanding of the benefits at New Company, Kevin realized he needed to make *at least* $95k at New Company in order to offset the reduced benefits they offered and to reflect his market value. So Kevin adjusted his minimum acceptable salary at $95k.

This was an important but subtle shift in the negotiation. Earlier, Kevin had stated his *desired* salary as $95k per year. That basically means he told the company, “It would be nice if I could make $95k per year to do this job.” Now, the meaning of that number had shifted: Kevin would walk away from the negotiation if New Company could not accommodate that salary.

The challenge was to find a way for Kevin to walk back his desired salary number and remove the cap he had put on the negotiation so that he could counteroffer a high enough salary so that he could reach his minimum acceptable salary or more.

Solution

After subjectively estimating how badly the company needed him to come on board and evaluating his desire to get this new job, we calculated Kevin’s his counter to the company’s $90k offer should be $102k per year (see the “How to negotiate your new salary” chapter in *Fearless Salary Negotiation* for more on how to calculate a counteroffer).

This was tricky because Kevin had already told the company he would like to make about $95k, yet he had now determined that he would not accept *less* than $95k *and* that an appropriate counteroffer given his situation was $102k. How could he deliver his higher-than-expected counteroffer in a way that would reopen the negotiation window while preserving the rapport he had built with the company?

The answer was in the benefits differential we identified earlier in the process. Kevin found that his take-home pay on $95k per year (his initially-stated desired salary) would be significantly less than he initially thought. In other words, he had new information that was not available to him when he gave that number, so he would now replace his stated desired salary of $95k with a new, better-informed counteroffer of $102k.

Outcome

Kevin spoke to the recruiter at New Company and explained that he had compared their benefits to Old Company’s and found a significant difference that would materially affect his take-home pay. Given that difference, he would prefer to make $102k per year as he felt that reflected his value to the new company and accounted for the difference in benefits.

Kevin went into the final discussion with a script that covered all of the possible outcomes between the company’s $90k offer and his $102k counteroffer. The script also accounted for his $95k minimum acceptable salary, meaning he would not accept the position with the new company if they could not come up to $95k (see the "How to negotiate your new salary" chapter in *Fearless Salary Negotiation* for more on how to write a script for your salary negotiation).

During the final discussion, New Company increased their offer to $95k, which met Kevin's minimum acceptable salary, and he took the job.

Takeaways

- **Don't disclose your current or desired salary.** It was not a coincidence that the company offered him a salary half way between his current and desired salaries. Recruiters and hiring managers will often ask you to disclose these numbers as part of "the dreaded salary question" (see the "How to ace your next interview" chapter in *Fearless Salary Negotiation* for more on the dreaded salary question).
- **Wait for the company to make the first offer.**
- **Set your minimum acceptable salary before you begin negotiating.** Learn as much as possible about the benefits package and other components of the pay package so that your minimum acceptable salary is as informed as possible.

Summary

Name: Ashley

Industry: Software consulting

Issue: Ashley was prepared to accept a lateral move to a new company, but realized she underestimated her market value.

Case Study 2—Ashley

After honing her skills as a consultant for several years, Ashley was deep in discussions with New Company where she would continue consulting, but where she would also be one of the more experienced consultants in her area of expertise.

Old Company was in the midst of a significant reorganization that may result in her having to start from scratch, learning new products and best practices in order to continue applying her broader consulting experience. So New Company was an appealing opportunity to move into a role similar to her current role, but where she could also continue working with the product and tools she had been working with for several years.

Because she was concerned that Old Company would reorganize her specific skillset into obsolescence, she was willing to move to New Company for the same salary she was making at Old Company. At least that would give her an opportunity to continue working with a product and tools she was familiar with, and she wouldn't have to take a pay cut. So her initial minimum acceptable salary for New Company was the same as her salary at her current firm (see the "How to negotiate your new salary" chapter in *Fearless Salary Negotiation* for more on setting your minimum acceptable salary before your salary negotiation).

Opportunity

We first spoke as Ashley was interviewing with New Company, and before they had made an offer. She had disclosed her current salary to New Company, but had not disclosed her desired salary.

We realized it would be a mistake to accept a lateral salary move to transition to New Company because Ashley would be one of the most senior consultants in her area of expertise, and she would be fully productive immediately upon hire.

She had an opportunity to evaluate her market value for her skillset and experience in her industry, and then adjust that value to account for the specific firm she was talking to.

Adjusting her minimum acceptable salary and preparing for the negotiation

We walked through the market value estimation process to determine her industry market value and then adjusted that market value to reflect her value for New Company (see the "How to estimate your market value" chapter in *Fearless Salary Negotiation* for more the market value estimation process).

She already had a good sense of her industry market value because of previous research and experience in the industry. She also had a good sense of how her salary stacked up at Old Company because she was very close with her co-workers and she kept in touch with previous colleagues who were pretty open about previous salaries.

The most important part of the market value estimation process for her situation was to determine the value of her skillset and experience *specifically for New Company* (the "intra-company" part of the market estimation process). She was able to estimate this based on two things she learned during her interviews with New Company:

1. It was clear that she had more experience and a broader skillset than most of the consultants she would be working with. New Company was growing, and she could contribute a very broad range of experience and be productive immediately.
2. She could tell that New Company had far more work than they could do, and they needed someone with her particular skillset to contribute immediately so they wouldn't have to turn away work.

So she had initially been prepared to accept a lateral move and she had disclosed her current salary to New Company. But after using the *Fearless Salary Negotiation* methods to estimate her market value and plan her negotiation, Ashley set her minimum acceptable salary at 10% more than her current salary, and prepared to counteroffer at 15% above New Company's offer once they made one (see the "How to negotiate your new salary" chapter in *Fearless Salary Negotiation* for more on how to calculate your counteroffer).

The negotiation

Her salary at Old Company—which she had previously disclosed to New Company—was about $100,000 and her minimum acceptable salary—the salary she would require in order to make the move from Old Company to New Company—was $110,000. New Company offered $103,000, so they did not reach her minimum acceptable salary. But since her plan was to counteroffer 16% above their offer she still had some room to work.

She countered at $120,000 and prepared a script to negotiate all of the $1,000 increments between their initial offer of $110,000 and her counter of $120,000. They settled at $115,000.

Outcome

Ashley was initially prepared to accept a lateral move in terms of salary. So she probably would have outright accepted New Company's initial offer of $103,000 for a net increase of $3,000 for her base salary.

But as a result of our conversation, she estimated her market value and then prepared for her negotiation following the *Fearless Salary Negotiation* method, resulting in a new salary of $115,000. That's and increase of $12,000 in base salary, or about 12%.

Takeaways

- **Do not disclose your current or desired salary.** It was not a coincidence that New Company's initial offer was just a little bit higher than Ashley's salary at Old Company, which she disclosed early in the recruiting process.
- **Always do the research and estimate your market value, *then* set your minimum acceptable salary based on that research.**
- **Before the company makes an offer, determine how badly they need you to do the job, and consider how badly you need to get the job.** The more they need you and the less you need them, the more aggressive you can be in your negotiation (see the "How to negotiate your new salary" chapter in *Fearless Salary Negotiation* for more on how to use these two variables to calculate your counteroffer).
- **Once they make an offer, counter with a number that reflects your estimate of how aggressive you can be.**

Summary

Name: Jason

Industry: Software engineering

Issue: Jason was reticent to negotiate an already-strong job offer. But with research and encouragement, he was able to comfortably negotiate a higher salary and a relocation package from his new company.

Case Study 3—Jason

Jason was interviewing for an opportunity that would take him from the west coast to the east coast to work for a prestigious private university. To stick with convention, I'll call the prestigious private university "New Company" from here on out.

Mid-way through the interview process, I suggested that he read my book to prepare for his upcoming negotiation, but he was reticent. He was leaning toward simply accepting New Company's initial offer if it was in the range he anticipated because he didn't want to be greedy or seem ungrateful.

I encouraged him to at least read the *Fearless Salary Negotiation* chapters on "How to ace your next interview" and "How to negotiate your new salary" because "It couldn't hurt, right?"

His partner also encouraged him to consider negotiating rather than accepting the initial offer from New Company. His partner's nudge was a tipping point, and he decided to negotiate rather than accept the initial offer when it came.

The negotiation

The negotiation was easy and very lucrative for Jason. The hiring manager offered him $120k during a quick phone conversation, and Jason asked for some time to think it over and discuss it with his partner.

He then emailed his counteroffer of $130k plus a $5k stipend to cover his relocation expenses (see the "How to negotiate your new salary" chapter in *Fearless Salary Negotiation* for a counteroffer email template). Here's the email exchange with Jason and his hiring manager:

To: [hiring manager]

Subject: Offer

Hey [hiring manager].

I really like the team you've assembled and the project itself, but I'm having some reservations on this offer. This is exacerbated as I have a higher offer from another organization. I think what would make this a no-brainer for me would be if the offer was $130k with the $5k moving stipend we discussed.

I'm really excited about the work this team has ahead and it seems like it would be a good fit for everyone.

Thanks,

-jason

The outcome

Here is the negotiation, played out in a few short emails:

To: [jason]

Subject: Re: Offer

Let me see what I can do.

thanks,

[hiring manager]

...

To: [jason]

Subject: Re: Offer

Hi Jason,

We should be able to make an offer to you at ~$126k / year + $5k moving expense.

Please try to get back to me as soon as you can.

Best,

[hiring manager]

...

To: [hiring manager]

Subject: Re: Offer

Hey [hiring manager].

That sounds great. Thanks so much for making that happen. For offer letter purposes, I should be able to start in [new city] on [start date]. I can't start remotely as soon as we can complete the paperwork.

Thanks,

jason

Short, sweet, and to the point. This is how mundane many salary negotiations are—no shouting and nobody playing hard ball.

Jason's "Offer" email—where he delivered his counteroffer to New Company's verbal offer—took about five minutes to write, and it made him an additional $6k base salary plus up to $5k in moving expenses. Not only did Jason get more salary, but the anxiety that comes with a cross-country move to take a new job was minimized since New Company was paying the bill.

Takeaways

- **Everybody can win in a negotiation.** Jason got more base salary and a stress-free cross-country relocation, funded by New Company. His new employer got a happy employee who felt valued, and who would show up the first day refreshed, grateful for the stress-free move, and ready to help his new team continue their great progress.
- **Negotiating isn't adversarial.** One reason many people don't negotiate is they don't want to seem greedy or ungrateful but, as you can see here, an effective negotiator doesn't have to be either. Since both parties can win, the negotiation is just a conversation to find the solution that makes everyone happy with the outcome.
- **Negotiating can be easy and lucrative.** Jason almost didn't negotiate at all, but thanks to his partner's encouragement and the *Fearless Salary Negotiation* method and templates, he did. In exchange for a five-minute email, he got his cross-country move paid for by New Company, and an additional $6k per year income.

About the author

Josh Doody dual-majored in Computer and Electrical Engineering, and later earned his MBA at the University of Florida. He began his professional career as an electrical engineer, then transitioned to project management and consulting in the talent management software industry.

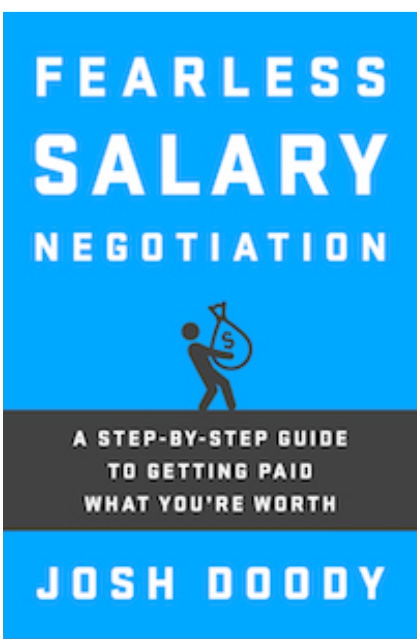
He has worked in many areas of the talent management industry including project management, consulting, implementation, technical support, and product development. He has consulted with firms large and small on their compensation management and planning strategies and helped implement software to help them manage their workforces more effectively.

Josh has also been a hiring manager, helping to build a 25-person technical support team based at the headquarters of an international software company, and has managed a team of technical consultants.

Where to find Josh online

You can find Josh at JoshDoody.com, on LinkedIn at linkedin.com/in/joshdoody, or on Twitter as @JoshDoody.

Learn more about *Fearless Salary Negotiation* or buy it on Amazon



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