How to Negotiate Your Way to a Better Salary

Some scripts and strategies to facilitate the process and help you leverage your compensation package.

ONCE WHEN FLYING TO A MEETING, I began talking to the man seated next to me on the plane. He told me that he had been downsized about six months earlier from a senior management position and was on his way to a job interview. My seatmate said that he had made the final cut in several previous interviews, but had never been offered a job, and hoped that this interview would result in an offer. When I asked him what kind of a salary he was seeking, the man reached into his briefcase and pulled out a carefully typed sheet that he said he always showed a potential employer at the beginning of the interview.

On the top of the sheet was the heading "Employment Terms" and below was a list, as he described them, of his job "requirements." I read down the page and saw that he was seeking a salary of $125,000, equity participation, 31 days vacation a year, tuition reimbursement for graduate courses, a private parking space, and so on. I had read enough to know why he would be still looking for a job after his interview. He was innocent of even the elements of salary negotiating. Despite this man’s best intentions, his tactics not only ensured he would not get the salary he was seeking, his tactics also pretty much guaranteed he would not get the job at all.

Please do not make the same mistakes as this man. Once you have finished reading this article, you will understand the key mistakes he made and you will also know what to do differently so you get the job you want and the salary you deserve.

1. The Right Mindset – Prepare for Polite Negotiation

Negotiating a financial package is every job seeker’s final hurdle. It is also every jobseeker’s nightmare. The topic of one’s own worth can make even the most secure person apprehensive. Further, many people are so happy at having received an offer that they fail to take advantage of their leverage at this critical time. The temptation is strong to settle salary questions as quickly as possible and be willing to accept an employer’s first offer. However, this may not be the best way.

In many cases, potential employers expect you to negotiate your salary and they give you an offer that is on the low side because they anticipate you will ask for (and receive) more money. Therefore, the failure to engage in salary negotiation may needlessly deprive you of additional income or benefits you would have easily obtained had you only asked for them. Your negotiating strength is never greater than at the moment the firm invites you to join their team and unless you are certain negotiation is inappropriate for the position at issue (which we discuss later), you should always make an effort to secure the best possible salary and benefits package.

2. Avoid Premature Salary Negotiations or Disclosures

Even though you will eventually discuss salary with your potential employer, it is never a good idea to bring up salary before you have an offer in hand. For one thing, during your interview you should focus on finding out as much as possible about the job and on convincing the interviewer that you are the most qualified candidate for the job. For another thing, you do not want to come off as someone who is greedy and only concerned about money. This can be a turnoff for employers, who want to learn about you and about what you can do for them. They do not necessarily care about what they can do for you, whether it is paying a huge salary or anything else.

Just as you would never show your cards before sitting down to play poker, it doesn’t make sense to commit yourself to a specific figure before you have a better understanding of the job requirements and the employer’s expectations of his or her employees. However, sometimes employers will try to get you to discuss salary during the interview or before they make an offer. If that happens, what do you do?

◆ You reply as follows:

I’d hesitate to give a specific figure until I have a better understanding of the job description and your expectations for the position ...

◆ If you have researched local legal salaries, you can respond with a range:

I believe that the range for this position in the San Francisco Bay area is ... With my credentials and this job
profile, I would think that a salary of $_______, at the higher end of that range, would be appropriate...

- You can shift the focus away from the salary to the topic of the job fit:

  I’m honestly not comfortable discussing money right now because I don’t want to box myself in prematurely... First, I’d like to know a little more about the position and what it’s like working at your firm...

- You can say that you are flexible, but put the burden on the employer:

  My salary requirements are negotiable... I’m interested in finding the right opportunity and I’ll be open to any fair offer when I do... What’s your salary range for this position?

3. Research Pay Levels

Never underestimate the power of information. Knowing the salary range for similar positions will greatly aid you in salary negotiations. Your interviewer will see that you are diligent and do your homework—an admirable quality in any attorney. Moreover, once you know the true value of your services, you will not risk underselling yourself or overestimating your worth in a way that will not be productive. Therefore, you should always research levels of legal compensation in your area before you go on any job interviews.

You can research salary information informally from your networking contacts and from friends at other companies and firms. However, there are also all sorts of salary-related resources and calculators online these days and you should spend time sorting through as much of this information as possible.

4. Always Request Time to Think Over an Offer

If you have played your cards correctly up until this point, your potential employer will have made you an offer and initiated the salary issue by telling you the salary the employer plans to pay. When you receive an offer, stall. Ask for time to consider the offer before accepting. Say that you want time to “crunch some numbers,” or need time to “run it past my financial advisor.” You can also say:

  Thank you so much! I am very enthusiastic about the position and your firm and greatly appreciate the offer. However, I need time to think things over before I make a final commitment. Would it be ok if I took a few days to think it over?

No matter how hard you are pushed, especially over the phone, never accept when the position is first offered, and always play for time. You need the opportunity to reflect in the clear light of day and want to avoid making a serious employment decision impulsively. A generally accepted timeframe to ask for is “a couple of days” or “24 to 48 hours.” During this time you will consider everything from every angle and decide whether you want to accept or make a reasonable counteroffer.

5. Consider All Pay Elements

If the initial offer of the base salary seems low, do not decline the job in haste. Rather, take this as a clue to negotiate for other forms of remuneration. In some situations, it might make sense to trade a lower salary for a company car, more vacation time, flexible working hours, or child-care benefits. You need to figure out what “perks” matter to you the most and whether or not your potential employer is willing to provide them. For example:

  Sara, a senior associate, leaves her well-paid position with a law firm to be director of a law school career planning office. Although her level of compensation at the law school is well below the compensation level of her firm, she accepts the offer of her new position partly for the tuition benefits that will greatly assist in the education of her two teenage daughters at the university.

Weigh carefully the value of a medical, dental, and full optical benefits package. Sometimes, when bound by salary-scale restrictions, employers will have the flexibility to sweeten a seemingly lower offer with retirement, stock options, or profit-sharing plans.

6. Request Frequent Performance Reviews

Another factor to consider in assessing the offer is the frequency of reviews. A position that pays a premium salary, but is reviewed only annually — if at all — may not be as good a deal as a law job starting with a lower salary, but where the associate’s work is reviewed, say, two or three times in the first year. This offers the
opportunity to negotiate salary increments based on performance. You can say:

*I would be willing to accept your offer if my salary is reviewed in six months.*

7. Place a Value on the Job Itself

If the initial salary offer is low and you feel you have little “wiggle room,” try to calculate the position’s real value to you in terms of positioning, that is, in terms of improving your skills, broadening your work experience, building your resume, or providing access to a particular professional network. Once you look at the big picture, you may decide that a lower salary is worth it because of the other benefits that you will receive from the particular position at issue.

8. Make a Counteroffer

As discussed in the beginning of this article, your potential employer is probably giving you the bottom of a range of salaries because your potential employer expects you to engage in polite negotiation. (This is not always the case, as with certain associate positions at law firms with lock-step compensation systems where the firms pay set amounts and everyone gets paid the same way. If this is the case, you should have uncovered it during your research and already be comfortable with the salary you can expect to receive.)

Many people are afraid to engage in salary negotiation, but that is not the right attitude to have. There is nothing to be afraid of. In the worst-case scenario all that will happen is the company or firm will tell you that it has no flexibility in the matter of salary and in that case you can make your decision knowing you did all you could do. It is extremely unlikely that you will have a job offer rescinded because you tried to negotiate.

If you feel uncomfortable with salary negotiation, then this is going to be a very good experience for you and it is going to help you in your legal career. As an attorney, you should have enough self-confidence and self-possession to ask for a salary that reflects your worth. Just be polite but assertive and advocate for yourself in the same way you would advocate for a client. Make your case! Explain how you are uniquely qualified for the position and how you will contribute to the overall profitability of the company or firm. As long as your salary request is in accord with your qualifications and market conditions, it will seem eminently reasonable to your employer. During this negotiation time, you can also ask for other benefits that are particularly important to you – such as the opportunity for a bonus or flexible work arrangements.

The Legal Career Guru suggests a simple negotiating ploy that threads the way between asking for everything and asking for nothing. When you have the offer in hand and have waited a few days, call back and express your enthusiasm and appreciation for the offer with words that, at the same time, contain praise for the company or firm, but are also a request for a higher figure, or some additional perk. Here is the simple formula: “I like X ... I like Y ... I like Z ... However ...”

An example:

*Mr. Bramante, I deeply appreciate your offer ... This is the kind of position I’m been seeking ... I’m impressed with the quality of people at your firm, I like the idea of working with Mr. Angelo ... and the benefits package is excellent ... However ... I was thinking that with my experience and the job profile a figure of $ ___ would more appropriate.*

Alternatively:

*However ... the offer is lower than I anticipated ... as we discussed in the interview, I have extensive experience in litigating the very kinds of cases you are getting flooded with ... perhaps we should consider a one time signing bonus of $10,000.*

*However ... the offer is lower than I anticipated ... especially as I did not understand until the interview that I would be responsible for training new attorneys as well as handling regular deal flow ... I propose either a higher salary of $240,000 instead of $225,000 or, alternatively, the opportunity to work from home two days a week.*

9. Be Reasonable

Be reasonable in your demands. Be flexible. What are your main priorities? Do you have an absolute bottom-line when it comes to salary? Do you really need all of equity participation, 31 days vacation a year,
tuition reimbursement for graduate courses, and a private parking space? It is not reasonable to ask for everything under the sun and you will be more likely to get the things you really need if you appear reasonable and are willing to make concessions.

10. Make Notes on Verbal Understandings

In informal compensation and benefit discussions, particularly when the salary figure has been negotiated, well-meaning employers, anxious to conclude the hiring process, will sometimes “sweeten the pot.” They will add elements to the total package in areas where they have a certain amount of flexibility. A new hire, for example, may be promised three weeks of vacation, rather than the firm “policy” of only two. Again, a lawyer who brings significant business portables to the firm may be assured of the full-time assistance of a secretary or paralegal. Or a promise may be made of remuneration for continuing legal education.

However later, when work piles up, or vacation time comes around, these pre-employment assurances may be forgotten. Not necessarily through malice or duplicity, but through an oversight on the part of the head of the firm’s hiring committee. Again, another employer, after salary negotiations and discussion, may call to say that you are hired and your starting salary is at certain amount, but the follow-up letter confirming your employment will quote a figure several thousand dollars less.

These true-to-life examples, and other similar experiences, illustrate the necessity of not trusting memory alone and the need for making careful notes of any pre-employment verbal assurances. This does not mean a tight-lipped stenographic record of the conversation, but a casual noting of figures and promises at the time they are enunciated. This can be done very easily, in a self-deprecatory way by saying, “That’s great! I’ll probably forget to tell my wife the details when I get home, so I’d better write them down.”

Wait for all the terms to be stated when an offer is made, and be sure to clarify any areas or arrangements on which you are not completely clear. Assumptions, especially when talking about working arrangements, can be dangerous.

Most employers will follow up their verbal offer with a letter containing the salary and other employment agreements. If your informal understandings are not included in this letter, then refer to your notes. Write back your acceptance, including the terms as they were negotiated at your meeting and as you understand them. Your notes will make sure that no items are overlooked.

A Final Word

So what did the man on the plane do incorrectly? He brought up salary prematurely, by handing his interviewer his typed list of requirements at the beginning of the interview and before he got an offer. This set things off in the wrong direction. Instead of using the interview as a valuable time to learn about the company and to sell his qualifications as to what he could do for the company, he placed the focus on his needs and what the company must do for him. He also appeared to be unreasonable in his list of demands and made no effort to present them within a context whereby he explained why he was so valuable to the company and deserving of special treatment.

Most employers, except law firms with lock-step compensation systems (including in the hiring of new law school graduates), expect a counteroffer. A salary offer is a window of opportunity. You have nothing to lose by asking, but your goal in negotiating is to reach a mutually acceptable agreement with a colleague, not to squeeze every possible dollar out of the firm. Remember, if you do not ask, you will not receive.

Please see the following articles for more information about attorney salaries:

- 2016 Law Firm Salary Chart - Firms Announcing Raises
- 2015 LawCrossing Salary Survey of Lawyer Salaries in Best Law Firms
- 2013 LawCrossing Salary Survey of Lawyer Salaries in Best Law Firms
- What Do In-House Attorney Positions Pay?
- Which Legal Jobs Will Pay the Most?
- 2015 8th Year Salaries and Bonuses of the Top Law Firms
- 2015 1st Year Salaries and Bonuses of the Top Law Firms
- LawCrossing Salary Survey of Lawyer Salaries in Best Law Firms
- The Impact Law Firm Economics Can Have on Your Legal Career

Click Here to View the 2015 Salaries of the Top Law Firms.