When Should You Think Twice About Salary Negotiation?

Young workers have had it drilled into them that they should push for more pay—here's how to avoid hidden pitfalls while working to strike a deal



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Kate Lindsay, a 28-year-old writer in New York, was thrilled when she was offered a staff writer position at Rolling Stone magazine's website in spring 2019. She was working at a women's media website that often covered financial advice and salary negotiation.



Kate Lindsay, a journalist in New York, believes she lost out on a job after trying to negotiate her salary.

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"I felt like if I didn't negotiate my offer,
I'd be failing everything I've been
taught as a woman," she says. She
emailed the magazine back asking for
\$10,000 more in base pay. It was the
first time she'd ever tried to negotiate.

After more than a week's silence, she says, she was asked to meet with one of the magazine's human resources staffers in person. She says he commented on how she had asked for

\$10,000 outright instead of "wiggle room," and told her there was "no room to budge." She agreed to the original offer, but was told three days later that it had expired. The company gave the job to someone else. Ms. Lindsay felt penalized for her attempt to negotiate. Rolling Stone declined to comment on the negotiation.

Many millennials, and especially millennial women, have internalized the notion that you should always negotiate your salary. But, as Ms. Lindsay found, negotiating doesn't always work—and can occasionally backfire. And now, during the pandemic, many young people are thinking twice about <u>driving a hard bargain</u> in a tough economy.

HR experts say the answer isn't to stop negotiating altogether. Instead, it's worth considering things beyond your salary, making an extra effort to be collegial and enthusiastic, and realizing that occasionally accepting an offer as presented is fine.

The cultural expectation to negotiate salaries is now widespread: The staffing firm Robert Half found that 70% of over 2,800 managers surveyed in 2018 expected candidates to negotiate. In a 2018 survey of 850 hiring professionals by recruiting corporation Jobvite, recruiters said nearly 60% of millennial candidates they interviewed had asked for a salary increase that year.

Many more workers negotiate today than in the 1980s, says management scholar Deborah Kolb. But she believes that they tend to treat it more narrowly, for instance by running through conversation scripts for salary upgrades, rather than thinking about all the different aspects of the job on offer.

"The world has changed. I'm not sure you can really negotiate salary during a pandemic," says Dr. Kolb, professor emerita at Simmons College School of Management. "But really, salary is so limited. All the things that would make your workday better, that is what you need to negotiate." She says that things like the number of meetings you must attend, weekday cutoffs for work hours and time off are all up for discussion.

You could even negotiate for benefits. "Say you're offered a job without health insurance. You can still ask them to pay for your Cobra benefits," says Liz D'Aloia, who runs an HR consulting firm in Trophy Club, Texas.

"Or you can ask for a signing bonus," she says. That's not just something for senior executives: Truck drivers, she points out, commonly receive them, too.

One reason negotiating base salary can be less fruitful today is that many recruiters bring up money earlier in the hiring process.

"We are transparent about salary range and expectations from the very beginning," says Marina Byezhanova, who runs a headhunting firm called Pronexia in Montreal. "So it does end up being surprising if the candidate asks for a lot more at the very end of the process. If you ask for \$80,000 when we have been discussing \$70,000 all along, that's not a reasonable request to me."

The gender pay gap, which Ms. Lindsay cited as a factor in her motivation to negotiate, is real. Women in the U.S. made about 83% of men's median weekly earnings in the last quarter of 2020, according to a Bureau of Labor Statistics report from January.

But negotiating base pay isn't the only way to close that gap. One 2019 paper in the Academy of Management Journal argued that negotiating for more leadership and authority within a job, and thus altering women's long-term career trajectories, "may do more to close the overall gender pay gap than compensation negotiations that increase pay in a current role."

Whatever you choose to negotiate, soft skills are crucial.

"The most important part of negotiation is just going to be those intangibles, like rapport, likability and delivery," says Josh Daniel, a Dallas-based career coach with Korn Ferry. If

all goes well, you'll soon be working with the person on the other end, he says, so you shouldn't treat them like an adversary.

Mr. Daniel coaches workers to focus on conveying enthusiasm, to avoid hardball tactics like ultimatums, and to show genuine emotion on the video calls where many negotiations now take place.

Another reason younger workers negotiate less reflects the fact that experience really does command more bargaining power.

"The higher you get on the food chain, it is basically expected you will negotiate," says Jeff Crowley, vice president of an executive search firm in Wheaton, Ill., focused on manufacturing companies. He mostly works with candidates with at least 10 years of experience and says that in his career he has only placed a handful who didn't negotiate their base pay.

On the other end of the workforce, Gen Zers are risk-averse from having lived through two recessions, valuing pay transparency and clear benchmarks over traditional negotiation, says Hannah Williams, a 23-year-old in Asheville, N.C. Ms. Williams spent three years working in hospitality for the Biltmore Co., in what she describes as an ideal early-work experience. When she joined at age 18, her manager laid out her pay scale, the company's career paths and how performance reviews would be linked to potential salary increases.

"You don't need to have a salary conversation per se with a Gen-Z employee. You should have a holistic career-development conversation," says Ms. Williams, who is now VP of business development at a property-management company.

Given their age and the <u>general churn in early stages</u> of their generations' careers, younger workers do often bounce back from failed negotiations. After nursing her wounds in 2019, Ms. Lindsay got a different media job last summer.

The best part? She didn't have to negotiate. "They just asked me for a range I would be comfortable with during my interview process, and met a number within that," she says.

Tips for Pandemic-Era Negotiations

Think beyond your base pay: You can negotiate your work hours, benefits, job description and more. "Nine times out of 10, you can negotiate a gentlemen's agreement with your employer to get more vacation days, even if HR can't formally approve it," says Kathleen Steffey, founder of the Naviga recruiting firm in Tampa, Fla.

Use mirroring techniques: "Mirroring means matching the other person's energy level and language," says Mr. Daniel, the career coach in Dallas. It's crucial for negotiations—even on video calls. "You have to amplify a little bit on Zoom, and I recommend increasing your distance from the camera so you can emote better with your shoulders and hands." He says it can make your negotiation feel more collegial, rather than adversarial.

Do your research: Publicly traded companies and many nonprofits have financial data available online, and salary-comparison websites like Glassdoor, while anonymized, can offer useful parameters. And ask around if you have any contacts at the company or the industry at large. "Knowing what other people get means what you're asking is defensible," says Dr. Kolb, the negotiations scholar.

Convey enthusiasm: Saying you're "really excited" about an offer, but were hoping to be compensated at a specific higher level because of specific skills you bring to the table, and then reiterating how excited you are, is a simple way to formulate your request that is looked upon favorably by many employers, Ms. Steffey says.

Consider asking for a deferred raise: "Another tactic that can work is when people say, 'This is what I really want, but I am OK waiting for it. Would you consider increasing my salary at the six-month mark if I am able to prove my value?" says Ms. Byezhanova, who runs the Montreal headhunting firm. If the employer agrees, she typically tries to get the conditions into writing in the contract.