
Salary Negotiation

Office of Career & Professional Development
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This handout focuses on the **market-based/individually negotiated salary** model and gives **tips on how to negotiate a starting salary**. The other main salary model is pre-determined (or “lock step”) structures, usually seen in large firms or government jobs. For these jobs, a recent grad will find themselves in an identical salary to all other candidates in their class, with general raises based on year and/or performance bonuses. Often the main issue in those jobs is if there will be a clerkship. When there is a clerkship, a candidate may ask for credit for the year spent clerking. Most jobs not at a large firm or government office, will be a market-based salary:

Market-based or individually negotiated salary:

- Salary and benefits are **negotiated**;
- **Small and midsize firms** generally use a market-based structure;
- **Contract/hourly work** is negotiated;
- **Corporations** use a market-based structure **for non-practicing work**; they are less likely to use it for in-house counsel work, but they may.
- **Often an employer will ask the applicant for his or her “salary requirements”**;
- **Factors** relevant to the salary negotiation are: (1) what the **employee needs/desires**; (2) what the **firm can afford**; and, (3) what the **market pays for comparable experience**.

STEP ONE: PREPARE YOUR SALARY NUMBERS

Know what you need:

- This will be **your “bottom line” number** – when you are hoping to get an offer from the firm, reflect on this question: if they only can pay me my bottom line number, will I take the job if they offer it?
- Make a budget worksheet to figure out your bottom line number if you don’t know it already. We have these at the Career Office, and you can also set up an appointment to come talk to us to go over it and see if it is realistic.

Know the market:

- This is **your reality check and your leverage** – know what other employers pay for someone with your qualifications for comparable work;
- This will tell you **if your bottom-line number is realistic** to expect;

- This will tell you **what you may be able to hope for as your “target” or “desired” number** – the high end of the range you’ll consider.
- **Research market salaries** for the geographic area, type of position and level of experience.
- For law firms, look at salary surveys: [NALP](#); [Robert Half Legal](#); other on-line salary surveys; internet job postings for comparable positions and alumni and friends at comparable employers.

Write down the important points to use as a guide/worksheet:

- What the market range appears to be for comparable work;
- What you desire – your target salary;
- List other benefits that are important to you or may be part of a package: health insurance; 401(k) matching contributions; disability and life insurance; vacation; flexible work schedule, etc.

STEP TWO: CONFRONT YOUR FEARS AND FOCUS ON INTERESTS – YOURS AND THE EMPLOYERS

It is normal to be concerned or even fearful about a salary negotiation. People are most commonly afraid of losing an offer; afraid of not getting an interview if salary needs are too high; concerned about being in a conflict or negotiation with a potential employer; insecure in the face of the potential employer’s power to not offer a job; or afraid of negotiating poorly and being taken advantage of. These are all normal concerns.

You can overcome these fears by focusing on interests and being prepared. Your interest is to be paid fairly so you enjoy your work and feel valued. The employer’s interest is to pay what they can afford to best manage the economics of their business, but also pay employees fairly so morale is high and their reputation is good in the marketplace.

Reflect on the employer’s constraints:

- Is it a bad economy or a good economy?
- Is the employer’s business growing or contracting?
- How does the employer make money from the work that you do?
- Is there any value you provide that enables the employer to make more money from your services than from another candidate’s services?

Avoid the “lowball” trap:

- Employers ask for salary requirements up front because candidates will often lowball themselves in order to make sure they are interviewed;
- If a candidate asks too much the employer can eliminate that candidate merely on the basis of salary.

How to answer a pre-offer request for a salary requirement without giving a specific number:

- “I am more interested in doing [environmental associate] work here at [Smith, Jones & Knight, LLP] than I am in the size of the initial salary.”
- “I will consider any reasonable offer.”

- “You are in a much better position than I to know what amount is a fair salary at this firm/business.”

If pressed to give a number before getting an offer:

- “My target amount is Y; but I will accept any reasonable offer that you and I both find to be fair given the reality of your firm/business, the market, and the value I can bring to your firm/business.”

STEP THREE: NEGOTIATE STRATEGICALLY

- In business (law firms are businesses too) **a candidate who negotiates a salary professionally is more impressive than one who does not.**
- In a survey of corporate headhunters, 80% said the applicant who “negotiates an offer in a professional, problem-solving manner” is more impressive than one “who accepts the first offer given” or one who “negotiates the offer in a demanding manner.”
- Be mindful that a poorly conducted negotiation can result in an offer being rescinded.
- **Only give a potential employer your target number AFTER you are convinced they want to give you an offer and believe you are the best candidate for the job.**
- If you are forced to take the lead after being offered a position, **give your target number, assuming your target number is within the market range.** Research shows that people who lead with their target consistently end up with a higher salary than those who lead with a range. Be confident talking about your target- be able to explain why you have that number.
- **Be ready to back up your request** – e.g., “this is within the market range based on salary surveys I’ve reviewed”.
- If the employer offers you something lower than you want, **frame your counter-offer positively in terms of a benefit to the employer, not in terms of your demands:**
E.g., “I am willing to accept \$65K, which is \$5K less than my target,” not “I would accept \$65K, which is \$5K more than you have offered.”
- **Use other benefits to trade if needed, or expand the pie.** For example, if an employer offers 401(k) matching contributions, but you know you won’t contribute to a 401(k) until you finish paying off your loans, can you give up that offer for more money? If the employer cannot offer more money, is there another benefit that would make working there more appealing, such as a flexible work schedule or more vacation time?