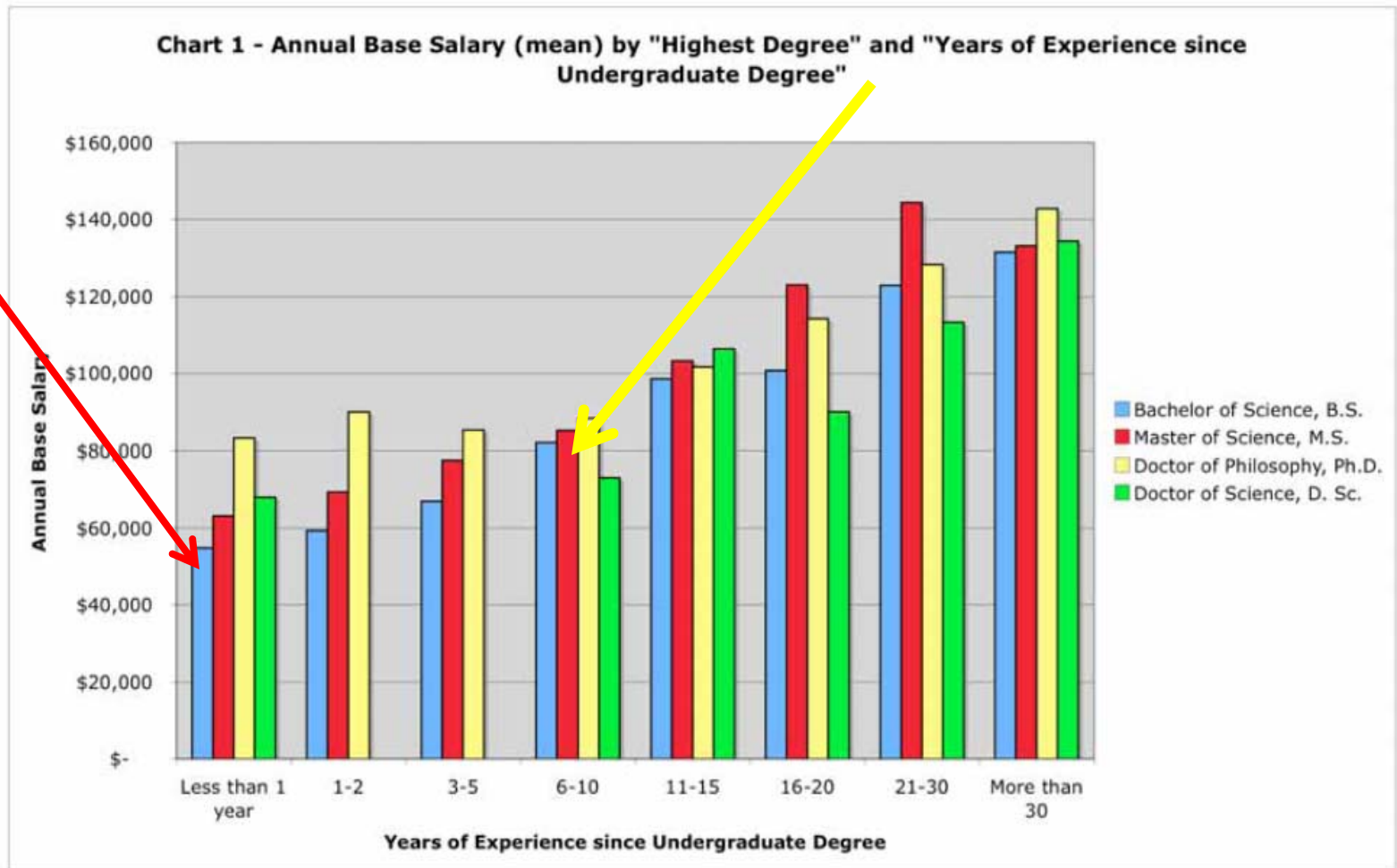


How to Negotiate a Better Salary

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Do You Know Your Worth?



How to Negotiate a Better Salary

- Job Offer
- Why Negotiation is Important
- Keys to Successful Negotiation
- How to Counter a Job Offer
- Q&A



Job Offer



- You just received a job offer and the salary isn't exactly what you hoped for.
- *What do you do? Should you negotiate a higher salary?*
- Absolutely!

Why Negotiation is Important

- Level of salary offered is predictor of level of responsibility you will have within company.
- Future salaries, salary increases and bonuses are based on this one; an increase of \$1,000 in negotiated salary may represent \$15,000 to \$30,000 over next 10 to 15 years.
- Most employers expect you to negotiate.
- Negotiate with professionalism, tact, and goodwill.

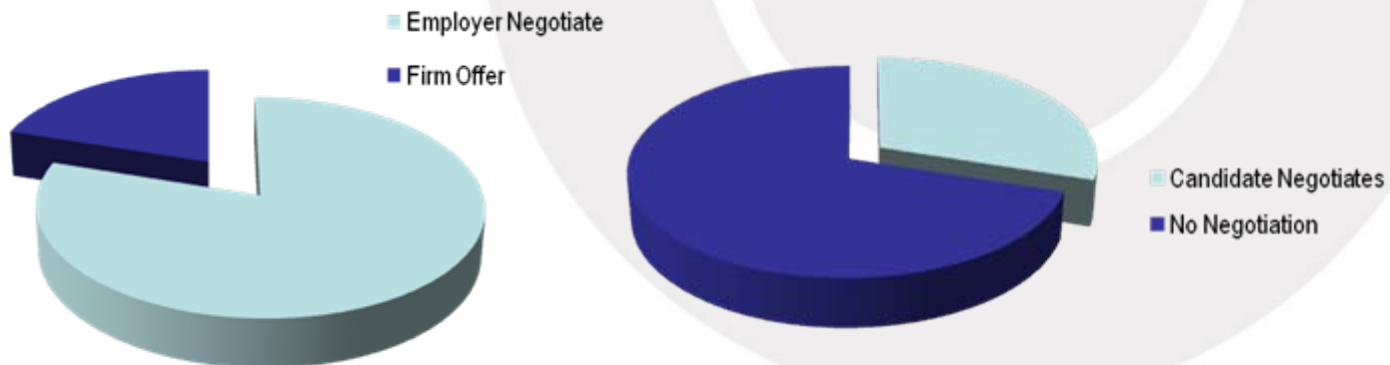
Salary negotiation is a process where one person negotiates amount of pay, earnings, salary, wages, bonuses, benefits, perks, annual review, or salary raise with another person.

Salary Negotiation

- Salaries depend on a number of factors, including
 - size of employer and its current level of success,
 - where company is located,
 - your professional level (B.S., M.S., Ph.D., D.Sc., years of experience, job function),
 - your previous work experience, and
 - particular skills you bring to the job.
- Salary represents only part of overall compensation.
- Employers may not make adjustments in base pay, but you may be able to negotiate some benefits to help make up difference.

Salary Negotiation

- CareerBuilder.com surveyed 875 hiring managers and found that
 - Over 60% of managers leave some room for offer negotiation
- A SHRM survey found that 8 out of 10 recruiters are willing to negotiate salary and benefits, yet only 33% of applicants negotiate.
- Managers want to hear candidates explain why they're worth more by highlighting specific accomplishments.



Reality Check

- You thought your salary was fine but just found out that you are *underpaid!*
- What should you do?
- Is it too late to negotiate?

Don't get angry!

It's never too late to negotiate.



Negotiation is Important for Professional Development



Brush up on your negotiation skills!

Keys to Successful Negotiation

- Prepare
 - Make Assessment of Your Skills and Experience
 - Evaluate the Overall Offer
 - Make a Salary Negotiation Checklist
- Negotiate
 - Listen
 - Offer Options
 - Ask for Contract in Writing
- Close Negotiation on a Positive Note

Prepare

- Make Assessment of Your Skills and Experience
 - What Do You Offer?
 - Education, Special Training
 - What Makes You Stand Out Compared with Others?
- What Employer Will Gain By Hiring You?



Keys to Successful Negotiation

- Know your own value:
 - Highlight your strengths so that you can effectively communicate. Narrow down to three. Learn how to articulate your qualities. *What are your accomplishments? What do you offer the company?*
- Know your priorities:
 - *What are your personal priorities? What is non-negotiable? What will make you say, "no matter how good this job is, I can't take this level of pay"?* For some people, it's time-off or flexibility. You can make money, but, if something is not acceptable, then you won't be happy. How much you want this job mitigates some hard negotiating that you have to do.

Be true to yourself, your family, and what you want,
so when you get an offer, you can weigh it against all that.

Evaluate Overall Offer

- Hiring or Signing Bonus
- Benefits
- Location
- Relocation Assistance
- Cost of Living
- Commute Time
- Cost of Commuting
- Opportunities for Professional Growth
- Opportunities for Family



Make a Salary Negotiation Checklist

	Ideal	Offered	Acceptable	Comments
Compensation				
Salary				
Bonuses				
Relocation				
etc				
Paid Leave				
Vacation/PTO				
Maternity/Paternity Leave				
etc				
Benefits				
Retirement/401K				
Care Plans (child/elderly)				
Insurance (health, life, disability)				
etc				
Perks				
Parking				
Blackberry				
etc				

Negotiate



- Prepare Options
 - Have options and alternatives to reduce defensiveness and to lead to positive resolution for all concerned.
- Listen
 - Negotiation requires persuasion and listening to others. Don't miss information vital to negotiation.

How to Counter a Job Offer

- Start by thanking manager for job offer and say you are looking forward to accepting it because you are excited about contributions you'll make.
- Say something like *"The terms you have described in the offer are acceptable, with a few minor changes."*
- Outline offered compensation package *and* your suggested changes:
 - \$75 K: Research I've done suggests that similar positions pay in \$76-85K range
 - Relocation Package: Moving from Florida to California will require
 - Perks: To make my work more effective I'd like to telecommute once a week....
- End with a positive and firm statement: *"If you could see to making these modest improvements to your offer, my performance will show you a handsome return. I am prepared to use my skills and experience in rocket motor design to increase profitability of your division."*

Close Negotiation on a Positive Note



In a successful negotiation, everyone wins.
Objective should be mutual agreement.

In Summary

- Be Enthusiastic, Professional, Ethical, and Realistic.
- Prepare.
 - *What makes you special?* Tell it! Write it!
 - Evaluate the offer, beyond compensation
- Negotiate!
- Ask Offer in Writing and Read Contract Carefully.
- Be Grateful and True to Yourself and Family.
- End Negotiation in a Positive Tone. Always!

Quiz

- Where do engineers with B.S. degree and less than 1 year of experience earn a higher salary?
 - VA
- Where do engineers with M.S. degree and 3-5 years of experience earn higher salaries?
 - DC
- Which job function pays better to engineers with B.S. degree and less than 1 year experience?
 - Systems Engineering, Software Engineering
- Which job function pays higher salaries to engineers with more than 30 years experience?
 - Management

AIAA 2008 Salary Survey



AIAA CEC Salary Survey

Chart 5 - State of California, Annual Base Salary (mean) by "Highest Degree" and "Years of Experience since Undergraduate Degree"

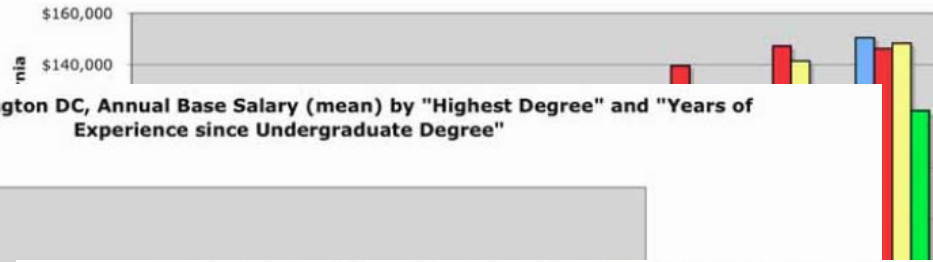


Chart 7 - Washington DC, Annual Base Salary (mean) by "Highest Degree" and "Years of Experience since Undergraduate Degree"



Chart 8 - State of Florida, Annual Base Salary (mean) by "Highest Degree" and "Years of Experience since Undergraduate Degree"

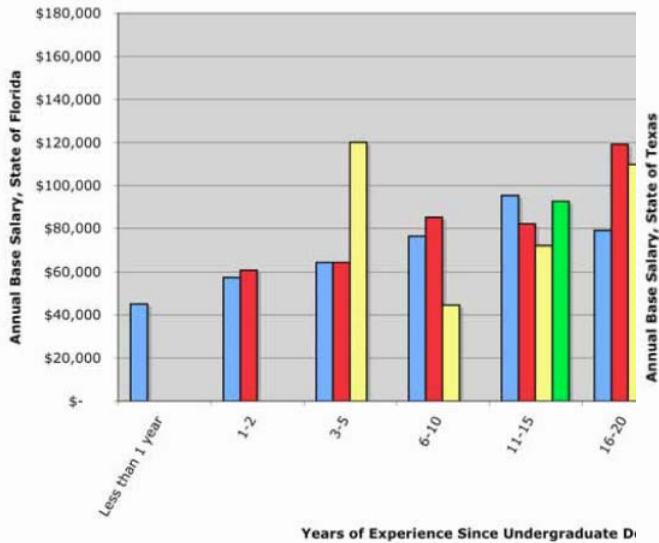
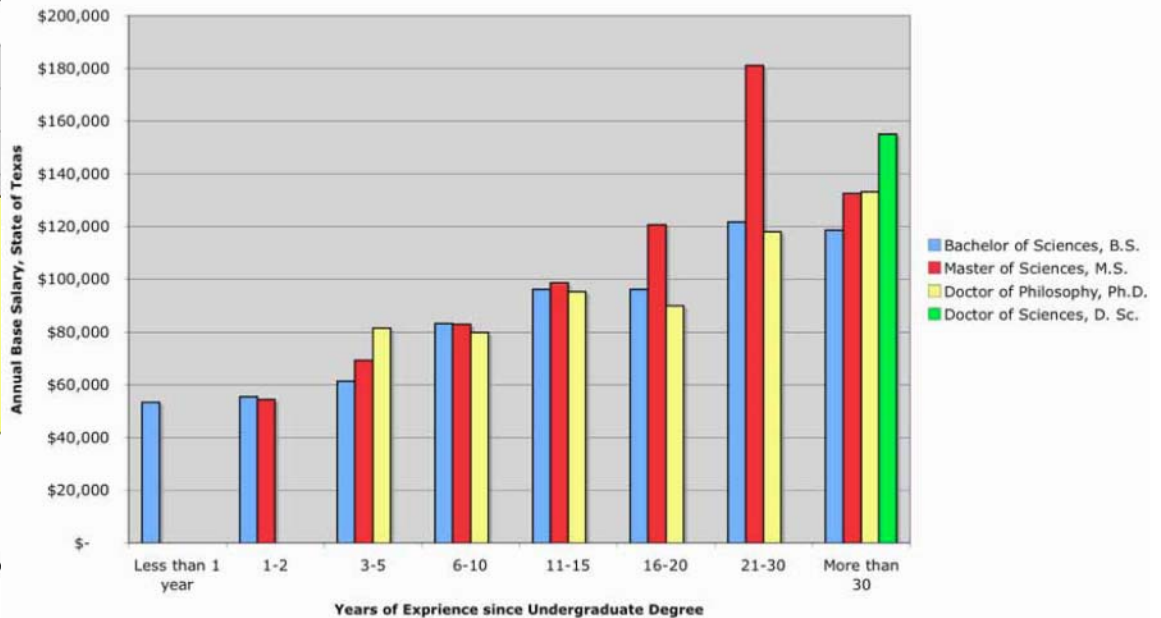


Chart 10 - State of Texas, Annual Base Salary (mean) with "Highest Degree" and "Years of Experience since Undergraduate Degree"



Final Remarks

- Negotiate based on cost of living in city you will be living and working in. Check this at www.betterplaces.net
- Study salaries of comparable jobs with similar companies.
- Never stop learning and offer employer more than average engineering skills.
- Knowing what you're worth will strengthen your negotiating position.

Q&A



Recommended Resources

- 2008 Salary Survey by AIAA CEC
- Top 10 Tips for Salary Negotiations by Michael Chaffers, www.Monster.com
- Negotiate Salary Better Using 10 Simple Steps – CBSalary.com, From www.Careerbuilder.com
- 6 Tips to Successful Benefits Negotiation, By Maura Pallera, www.Salary.com



The World's Forum for Aerospace Leadership