SALARY NEGOTIATIONS ARE A “S.N.A.P.” WITH JACK’S:

SALARY NEGOTIATIONS ACTIVE-VOCABULARY PERSONALIZER [S.N.A.P.]

S.N.A.P.

Please forgive the rather awkward acronym-title. It’s a bit corny, and I know I’m stretching to make it fit. I could have called this a workbook, or companion guide, I suppose, but I couldn’t resist the SNAP acronym because it is very expressive of this guide!

For your “S.N.” = Salary Negotiations, we’ll develop an “A.” = Active Vocabulary, and we’ll “P.” = Personalize it.

So, first of all, it fits like that, but also…

Second, the “snap” in S.N.A.P. The image of “it’s a snap” is also relevant because, indeed, salary negotiations are not complicated. I know I’ve written 100’s of pages on the subject, but at the core, all you need to know are “one-three-five.”

The
-- one principle [make me a buck],
-- three stages [Budget, Fudgit and Judgit] and
-- five rules [1-wait, 2-go second, 3-hmmm, 4-talk, 5-bennies & perks].

Third, the “P” in S.N.A.P. This guide personalizes the information found in Negotiating Your Salary: How to Make $1000 a Minute. This guide takes that “one-three-five” out of the abstract realms down to the very practical and individualized level – just fitted to your position and circumstances.

Please, also, allow me a “pep talk” before you plow into this S.N.A.P. guide.
PEP TALK

How much is this S.N.A.P. guide worth to you?

*Negotiating Your Salary: How to Make $1000 a Minute* costs $15. Its value at the bare bottom minimum is one hundred times that -- $1500 -- because the principles and strategies there can easily add $1500 to your salary. (After all, that’s only an extra 75¢/hour.)

If the book, *Negotiating Your Salary: How to Make $1000 a Minute*, is worth $1500, then this S.N.A.P. guide is worth $15,000!

Why?

If you faithfully fill in the blanks and complete the exercises, you’ll make a shift from *passive* vocabulary to *active* vocabulary.

SIDE BAR

A little diversion about vocabulary to illustrate a level of salary negotiation competence.

“Segue.” I remember the day and the scene when I first learned that word. I was in a colleague’s office and she spoke about making a “segue” from traditional job hunting to modern job hunting. I asked her, “Seg-way?” What’s a “Segway”?

She told me it comes from music, meaning to continue by playing the following piece or passage of music without a pause, and generally, it
means to make a smooth, almost imperceptible transition from one state, situation, or subject to another.

Within a month, I had segued from never hearing the word to using it in my communications. In the weeks after the meeting I heard several people use that word in speech and print. Within a month, I was using it in my own conversations. It’s a process.

Think of words you didn’t know some years ago: RAM, ROM, Megs, Gigs, pixels, ipod, Osama bin Laden. Remember how puzzled you were when you first learned them? Remember how, once you understood, suddenly you heard the words often? That’s passive vocabulary. It helps understand, but doesn’t enter your “outgoing” messages.

Remember, too, how, finally, you could use them actively?

That’s Active Vocabulary.

Active Vocabulary describes the level of comfort that will score you more money with Salary Negotiations.

Achieving that comfort and ease happens in three steps: Understanding, Using, and Owning.

**Understanding**
Reading *Negotiating Your Salary: How to Make $1000 a Minute* is the first step. It brings Understanding. [You did read it already, right?] The make me a buck principle, the budget, fudgit and judgit, and the five salary making rules [1-3-5] forge new neural pathways in your brain, but those pathways are essentially passive. Like a passive vocabulary: words you understand but never use.

**Using**
Using makes the Understanding active. Filling in the blanks in this S.N.A.P. guide will drive you to the second phase where you have words at your disposal to complete the negotiating process.

Owing
The final stage is Ownership. That occurs when the principles, strategies, and rules are so well engrained in you that you personally own them. The rule about postponing salary talk until there’s an offer, for instance, becomes a tenet, a common sense proposition in your mind. While you may still rely on vocabulary you developed in the Understanding and using steps, your words come from a centered, powerful, intentional state. It’s so ingrained in you that no one will even question you about it.

PEP TALK turns to “commitment” talk.

My little “PEP talk” here is to encourage you to be diligent. Fill in all the blanks in the S.N.A.P. guide. Don’t fall prey to the temptation of “I’ll just read it through, and fill it out later when I need it.” Because you need it right away! Some of the most important parts of negotiating have to do with postponing salary talk.

More “pep”
Here’s some reminders why you’ll want to be thorough here.

Pep Talk reason one: This is worth thousands of dollars.
You’d think, wouldn’t you, that the money alone would be sufficient for get you to fill in the blanks and rehearse? I’ve found that only when you put it in terms of “what money can buy,” is it motivating.

So, think of some things you’d like to have in your life. Things that cost $100, $1000, or $5,000, or $25,000 or more. Vacations? Car? Education for you or your children? Your daughter’s wedding? Go wild!
Write down here…

TOP 20 THINGS I WANT THAT MONEY CAN BUY

1 ________________________________________
2 ________________________________________
3 ________________________________________
4 ________________________________________
5 ________________________________________
6 ________________________________________
7 ________________________________________
8 ________________________________________
9 ________________________________________
10 ________________________________________
11 ________________________________________
12 ________________________________________
13 ________________________________________
14 ________________________________________
15 ________________________________________
16 ________________________________________
Being diligent and filling in all the blanks (like the ones above!) will work to increase your Ownership.

**Pep Talk reason two:** This is worth thousands of dollars not just once, but every year!

Okay, now we’ve got something. You did write them down, didn’t you? No sliding here! If you didn’t, please DO now. When you’ve done it, you’ll appreciate the difference between thinking something and actually writing it down.

Will all those 20 things be covered in one salary negotiation? Probably not, but remember, an extra $5000 in your compensation package today is typically an *annual* $5000. So after 3 years in the job, you’ve now got $15,000 you didn’t have before. And, since raises are often based on a percentage of current salary, the $5,000 compounds making it more than triple.

Investing time and effort on salary pursuits pays a different kind of dividend from other financial efforts. It enhances your money *at the source*.

**Pep Talk reason three:** Your employer is rehearsed.
While employers are not generally formally trained in how to negotiate, they certainly will have given some thought and planning to the
negotiation process. On a scale of 1-10, they may be a “10” in terms of top notch training, or as low as a 5, but seldom less than that.

If you’re not prepared at least to your employer’s level you may leave money on the table.

Here’s what you’ll need. These are covered in this S.N.A.P. guide:
1) Postponing phrases that work for you.
2) Research on the Objective Researched Value
3) Researching your Individual Value
4) Considering Rf$S (Risk Factor Dollars)
5) Your own internal “that’s great” compensation package
6) Your bottom line: below which you’ll decline the offer.
7) Your list of bennies and perks.

Coaching
Ownership comes with practice. You can practice on your own or with a friend, or with a coach – like me [Jack Chapman]. I’m available by calling 847-853-1046. My rates are always affordable. We spend 5 minutes at no cost to determine if I can make a multi-thousand dollar difference. If not, I’ll tell you you’re fine and we’re done; if so, we’ll go ahead.

So, this S.N.A.P. guide is small, but mighty!

Even though its value is self evident, the reason I’m giving you this “pep talk” is that many people won’t really set aside the time to make it all work. Typical readers will skim through the S.N.A.P. guide, not actually fill in all the blanks, and convince themselves they know it all, and rush off essentially only half-prepared into the most crucial phase of their career: salary negotiations.

WE’RE READY TO BEGIN
Please check the appropriate choice:
____ Thanks for the pep talk, but I’m going to just browse through the S.N.A.P. guide and do what I feel like doing in terms of writing and practice.

____ I make a promise to myself to complete all the exercises in this S.N.A.P. guide.

____ Coaching: I’ll fill in everything in the book and I’ll call 847-853-1046 to check out the value of coaching for me; I’m like most of your clients: I don’t know what I don’t know, and I need to check out if I will profit from coaching in this process.
SECTION 1 Postponing phrases that work for you.

FUNDAMENTALS:

From the book, Negotiating Your Salary: How to Make $1000 a Minute, please fill in the blanks so you can move from “Understanding” to “Using/Owning” the one-three-five fundamentals.

ONE KEY PRINCIPLE: “Make me a Buck.” Chapter One in Negotiating Your Salary: How to Make $1000 a Minute. Your understanding of this principle is:

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________

THREE STAGES: “Budget, Fudgit, and Judgit” Chapter Two in Negotiating Your Salary: How to Make $1000 a Minute. Your understanding of these three stages is:

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________

________________________________________________________________________________________
FIVE SALARY MAKING RULES:
1- Postpone salary talk until there’s an offer.
2- Let them go first.
3- Repeat their number and be quiet.
4- Communicate your researched ranges.
5- Clinch the deal and deal some more.

Notes or questions about these rules?

Postponing Salary Talk – easier said than done.

My first rule of salary negotiation says that you'll have your best opportunity to get the maximum value if you can postpone salary conversations until they're ready to make you an offer.

Often, this is easier said than done, because employers like to bring the subject up early in the interviewing process. In order to put it off until
later, you'll need to find some phrases that feel comfortable for you to say.

The important thing to remember is that whatever you say, you need to rehearse it. We don't do salary negotiations often enough that it is natural. Like anything that's important and not done frequently, it takes practice to assure success.

Let's first understand the reasoning behind postponing negotiations, and then let's review several lines so you can find one that feels right for you. These ideas are discussed in more detail in the book Negotiating Your Salary: How to Make $1000 a Minute, but I will cover some of the essentials here.

**Employer Rationale #1**

Why do employers like to bring it up early? Two reasons. The biggest reason is that they are worried they can't afford you and they don't want to waste time interviewing you if that's the case. Nothing is more disappointing to an employer than to go through the selection interviewing process, find someone he or she is really eager to hire, and then find out that the candidate's salary requirements are way too high.

Rationale #1 leads to being screened out of the interview.

**Employer Rationale #2**

The second reason is that employers often set your "new" salary based on your old one. They realize they have to offer some incentive for you to be interested in making a job change, so they try to ascertain your current earnings.

Once they know them--especially if they know them for several candidates--they can pick and choose whom to make an offer to by the salary level. So, if they like Fred the most who is making $50,000, and they like Sally next who is making $42,000, they might be tempted to offer Sally the job even though she's technically the runner-up. They
figure they can get Sally for $45,000, while they think Fred will cost them $55,000, and figure that the skill difference isn't worth $10,000.

Notice that whether you're Sally or Fred, Rationale #2 does not work to your advantage. Fred loses an offer that he might have really wanted just because they thought he was too expensive. Sally is limited to an offer of $45,000, even though she might be worth $48,000-$52,000.

Your ideal strategic position is one in which
a) employers are secure that you aren't going to ask for money outside a reasonable range, and
b) you’re free to get an offer based on their interest and belief in you, not on how much money you made before.

The best way to achieve this position is to let them know you know an objective market value for the position, and you won't require a salary out of line with that. Conversely, to not let them know your current earnings, or your expectations until they’re ready to make an offer.

With that in mind, here are some strategies and some actual words.
• Too Early
• Call a Spade a Spade
• Big Range
• Researched Range
• Turn the Tables
• Pre-emptive Strike
• Deal with the Devil
• Overqualified
• Deflecting "Current Earnings" question

**Strategy one: Too early.**

When asked your salary expectations early in the process, you can say, "The job looks like the right level so far, but I think it's too early to talk salary. If the job is a good fit, I don't think it will be a problem, and if
it’s not a good fit, then there’s nothing to worry about there, either, right? Let's discuss it later, if that's okay."

"Talking about money is always a bit awkward, but it's especially so for me right now, because I'd need to learn a lot more about the job before I'd be ready to say what kind of salary ought to go with it."

"I'm sure you pay a fair market value, don't you?" [Reply] "Well, then, it’s a bit early to talk money. I'm sure salary will take care of itself when it's time. Let's concentrate on whether you think I'm right for the job first, shall we?"

One of my favorite examples is the response given by a tool-and-die-making client who knew he'd have to come down quite a bit from his previous salary because of difficult market conditions. When asked what he was making at his previous job he said, "Hell, don't make no differ'nce what I was a-makin' there; it's what you're gonna pay me that counts, ain't it?"

Other phrases. "Salary? Well, this point I wouldn't want to say anything that would scare you away, and I don't think you'd want to say anything that would discourage me… so why don't we keep an open mind on that for the moment?"

"Hmmm. Salary is about number three on my priority list; number one to see if we have a match, otherwise the salary is a moot point anyway, right? Could we concentrate on that?"

**Strategy two: Call a Spade a Spade.**

You can take a tough stand. Telling your truth works well for that. “Y’know,” you might say, “if I start talking about money before we even know if I’m a serious candidate, all I can do is screen myself out or negotiate against myself. So, it’s a principle of mine to take things one
at a time – I don’t anticipate any problems with salary. Could we concentrate on figuring out if I’m a serious candidate for now?”

When your job is anywhere close to marketing, purchasing, or sales you can say, “When I’m working on behalf of your company, Ms./Mr. Interviewer, I’m not going to disclose competitive pricing, or budgets, or others’ bids. That would be bidding against ourselves. You wouldn’t want me to! Right?” [Reply] “So, if that’s what I should do for the company, I hope you’ll agree that’s what I should do for myself. I don’t think salary will be a deal breaker as long as you pay a competitive salary, so if it’s okay with you, I’d like to wait until we get to the offer stage before we handle that. Is that okay with you?

**Strategy three: Big Range**

If you know roughly the market value of the position, you can allay interviewers’ fears by giving them a range that is workable for them, but will neither screen you out nor bring you in too low.

"The most I think this type of job would pay would be in the $60,000 range, and the least would be in the $30's, depending on hours, travel, benefits, room for advancement, bonuses, and other factors. If I'm the one you want, I'm sure we can find a proper compensation package."

"Depending on six factors -- my satisfaction with the work, the environment, the opportunity for advancement, the benefits and perks, the bonus structure, the opportunity to sharpen my skills, any participation in company profits, stock options, the travel and commute time, plus how well I like the people I work with, it could be as low as $30,000 and probably not over $80,000 -- let's see if I'm right for the job and I'm sure we can handle salary."

**Strategy four: Researched Range**
This is similar to Big Range only it emphasizes the research you have done or will do.

“I’m glad you bring that up. I’ve done some research on the internet to find some ballpark numbers. I found the lower Quartile to be $40,000 and lower and the top Quartile to be $85,000 and higher. I presume you’d be paying somewhere in there, right?” [Reply.] “Okay, we should be able to figure something out if I’m the one you want. Let’s see if I’m the one you want – ok?”

**Strategy five: Turn the Tables.**

Another tactic to avoid disclosing your expectations is to turn the question around. "Salary expectations? I'm glad you brought that up. I would have to do a little more research to find out the fair market value. By the way, roughly what range do you think this position should pay?" Be careful here not to agree with their numbers; simply acknowledge them, say that they sound like they're in "the ball park," and move on.

**Strategy six: Pre-emptive strike.**

Another "ask them" strategy suggests that you bring the question up before they do. Wait until you have some trust/rapport built and then you can say, "I know it's really too soon to be discussing this in detail, but I was wondering about what you were thinking in terms of salary -- I mean just ball-park, rough idea?" They respond, and you say, "Hmmm I think we could work something out around that; let's keep talking."

**Strategy seven: Deal with the Devil.**

Employer’s Rationale #1 leads to screening you out. If that’s your concern, you can use the disclosure to get the opposite: a guarantee you’ll be interviewed.
“Thank you for asking, and frankly, sometimes I tell people what I’m making and then, even though it’s in the average range, I get screened out of the interview. Can you imagine that?

“If I fill you in on all the financial data you want, I presume I can be assured that I’ll at least get an interview? While I don’t know who you’ll finally hire, of course, I’m very confident I should at least be interviewed. Could we set an interview appointment first?”

**Strategy eight: Overqualified.**

If you already know you make more than the employer pays, but for whatever reason, you’re willing to take a pay cut, you can use the overqualified tactic.

“You want to know my salary expectations, and that’s fine. In my opinion, what’s important for you to know is that I [currently/recently] made a lot more than I think this position would pay. That’s not a problem for me because while I [was/am] paid well for that job, I’m done with that. So, you don’t have to worry about matching my previous salary or whether I’d be happy at your salary – I know, roughly, the range this work pays and as long as you pay a competitive salary we’ll be okay.”

From the book: Tim, who earned well into six figures in real estate, was exploring a passion of his – privatization within public education. He knew there would be no point in trying to hide his previous earnings, since one look at the title and level of responsibility in his previous position would tell an employer he’d been in the upper bracket. So, instead of attempting to camouflage it, he tackled it head on. When asked, “What did you make there?” he smiled knowingly and said, “A lot!” Pause. Then he finished with, “Probably more than I’d make here, but don’t worry, salary isn’t my main concern.” This way he was able to negotiate top dollar without being screened out as too expensive.
Oddly enough, this works for severely *underpaid*, too. Say, “I’m really not satisfied with my current [recent] earnings. That’s one of the reasons I’m interviewing. Telling you those low numbers won’t help you when it comes time to making me a competitive offer here. I think we can safely say that a competitive rate will work fine.”

**Strategy nine: Deflecting "Current Earnings" question.**

Perhaps the hardest question to defer is the “What did you earn at your last job?” or “What are you currently earning?” It’s easier to dodge “expectations” questions.

Sometimes (and do this only when it’s the truth) you aren’t allowed to disclose that information; it’s company confidential and you have a non-disclosure. That’s convenient, but rare.

Best route, here, is to first empathize, then redirect the question to what they’re really after, and tackle that. “Thanks for asking. I presume you’re trying to find out if you can afford me. Is that right?” [Reply.] Well, my previous salary won’t give you good information about that. Then
• Turn the tables, or
• Big Range, or
• Researched Range.

**Now it’s Your Turn.**

Choose or modify a phrase from the above suggestions. Write it here along with your answer to “current” earnings.

Employer: What kind of money are you looking for?
Employer: Tell me, what are you currently earning? [Tell me, what were you earning on your last job?]

SUMMARY
The key to this part of salary negotiations is having the confidence that you'll be able to handle the actual money talk when the proper time comes. You don't want to lead an interviewer on if you're way out of line salary-wise, but then, again, I have had people end up $20,000 to $60,000 higher than the employer originally budgeted just because they postponed salary and let the employer see their value first.

Salary Making Rule #3:
Quick review. Remember when you get the to go first, you’ll reply by repeating the salary number or top of the range and then be quite. You can say “Hmmm,” if you like.

During that quiet time, compare your offer to the work you’re about to enter into this S.N.A.P. guide below figuring your market value.
Section 2: Research on the Objective Researched Value

Think of fair market value as a formula in which the market value equals the sum of three other values: The equation looks like this:

\[ \text{Market Value} = \text{ORV$} + \text{IV$} + \text{Rf$}. \]

Or you can think “present, past, future,” and picture your market value as a composite photograph made by combining these three perspectives: the present going rate (ORV$), the added value of your accumulated past experience (IV$), and your future contribution (Rf$).

However you visualize it, in order to fully understand these formulas, you need some definitions.

**ORV$ (Objectively Researched Value); present.** Objectively researched information from current published data about the going rate; this year’s average earning range for people doing the kind of work you’re considering.

**IV$ (Individual Value); past.** A subjective assessment of the strength of your past track record as it applies to this new job or promotion. It puts you somewhere on a scale from entry level to seasoned professional, possibly with a unique competitive advantage. IV$ measures how you stack up individually above or below the competition.

**RF$ (Risk-Factor Dollars); future.** Compensation you are willing to make contingent on your future success; speculative compensation.

Here’s how to go about determining your fair market value. In this section I will give you several resources for comprehensive information. At times, I will ask you to list all other resources you can think of. In all cases, I’ll leave space for you to jot down what you learn.
Calculating the Three Factors, Part I:
ORV$ (Objectively Researched Value)

Find out in what range people get paid for work similar to yours by consulting published surveys. Make sure you’re comparing apples to apples, that the salary you find matches the responsibilities of the job you expect to be paid for.

People often have a hard time matching their job to a job title. You’ll need to pick one - or two, perhaps - that seem close. Where there are actual job descriptions along with the titles, that can help you select a title most closely related to the level of responsibility.

Once you’re on track with a title and perhaps a job description, begin collecting pay-comparison-analysis information that will coalesce into your objectively researched value (ORV$).

Internet resources: online information
The Internet has become the library-of-choice these days. Here are my top favorites.

1. www.JobStar.org
JobStar is labeled as “a job search guide from your local public library.” This easily navigable site links you to a number of job-related information sources including over 300 free salary surveys from accounting to warehousing. Spend some time on this site and write down below the URLs of sites you want to read in depth and why. For example, you might want to check the site for “new graduates” plus your specialty of accounting.

Note any info related to your job. Jot it down here, or simply download/print the info and make a quick summary.

JOBSTAR Notes and URLs
2. www.PayScale.com
This site asks you to fill out an extensive questionnaire about your current salary and benefits, experience, education and more and then links you to various business databases for either a summary report or more specific reports for a fee. You can examine several examples of what the reports contain before paying for service.

Note any info related to your job. Jot it down here, or simply download/print the info and make a quick summary

PAYSCALE Notes:

3. www.Salary.com,
Another similar fee-based site to assess salary and other pertinent job information from business databases.

Note any info related to your job. Jot it down here, or simply download/print the info and make a quick summary.

SALARY.COM Notes:

Hosted by The Wall Street Journal, this site contains a multitude of business-related articles and information. Write down below any of the
links/topics you want to explore further, especially those that are most valuable to determining your objective value.

Note any info related to your job. Jot it down here, or simply download/print the info and make a quick summary
CAREERJOURNAL.COM:

_________________________________________________________
_________________________________________________________
_________________________________________________________
_________________________________________________________

List, here, any other resources that come to mind when you look at this categories list.

• Professional and Trade Associations you belong to.

• Recruiters in your field you’ve met or can reach.

• Past bosses, managers, etc., in your field.

• Human Resources in your company or a competitor.

• Conducting your own survey (See chapter Five in the book; page 57 of the 2006 edition. It’s called “Direct Dial Research.” You can get more information on this. I don’t include it here because, frankly, no one I’ve ever worked with ever chose this option to research a salary the “direct dial” way. So, theoretically it can work to conduct your own personal survey; practically speaking no one does it. If you want to try it and have some feedback for me… e-mail me at jkchapman@aol.com.)

• Other Sources.

Summary of information collected about ORV$: 

_________________________________________________________
_________________________________________________________
Section 3. Researching your IV$ (Individual Value)

Here's eight starting points for exploring your Individual Value: experience, connections, proprietary ideas, previous performance, flexibility, stability, resource assembly, enthusiasm -- anything that makes you worth more than the competition.

I have coached hundreds of people from all walks of life and all levels of responsibility. Over and over we've been able to enhance offers. You're welcome to use me that way, too. Call me at 847-853-1046 to arrange private coaching.

Meanwhile, I'll give you examples of people who've improved offers by one or more of those categories.

EXPERIENCE.
Bill, an accountant, had 10 years' experience totaling 1,200 work-outs with the IRS. He knew the formulas, procedures, IRS policies, internal unpublished guidelines. The accounting firm he was joining worked with troubled companies and individuals. Since he could handle twice the number of cases in half the time, experience added $50,000 to his compensation in the form of salary and bonuses.

**Will Your Experience Bring In Extra Value?**

CONNECTIONS.
As past president of S.H.R.M., Jill knew 300+ H.R. Directors in the city. She earned very high marks for her capabilities during her tenure as president. Even though she was not going to be a first line salesperson in this HR consulting firm, her reputation would help salespeople close new business that other candidates couldn't. Result $35,000 over ORV$.
**Is Who You Know Worth Something?**

PROPRIETARY IDEAS.
This purchasing manager, Bob, had an idea: source specific niche products from China. He knew that he could cut off 85% [yes! 85%!] of the cost of cast-iron components if they fit a manufacturing profile: 1-they weighed between 25-150 lbs., 2-had tolerances and specs that were in metric measurements, and 3-could be ordered in lots of 5000 pieces or more. In addition, Bob's wife could speak [Mandarin] Chinese. He also knew which factories produced quality work and which shops were sloppy. This cost-saving idea earned him a bonus 25¢ on every piece the company ordered. Only two-bits? Don't laugh, it added up to big bucks.

**Do You Have Proven Ideas that Add Value?**

PREVIOUS PERFORMANCE.
Nate had four awards for website design: 2-innovation, 1-Aesthetic/Beauty and 1-clarity and navigation. These awards added $18,000 over ORVs.

**Awards?**

FLEXIBILITY
(Single…) Acme Ad Agency in Chicago had far flung clients on the East Coast. The A/E for these accounts would spend 85% of the time on the road. After losing three A/Es in four years because of the brutal schedule, the president was particularly excited about Fred: a single, mature, gay man who loved "Antiquing" in the New England area. He easily negotiated an "excess Travel Compensation" payable in a way that rewarded longevity on the job.

**Does Your Personal Life Style Offer Competitive Advantages?**

STABILITY (married…)
OTOH, after three "singles" left the association for more exciting venues, Jill and Jennifer applied to job-share the position. They'd both co-manage the membership function. Some weeks Jill would work 30
hours and Jennifer 10; other weeks were the opposite. This combination had a price tag $10,00 higher than the original position. Both Jill and Jennifer were married with children and flex-times allowed them to work and still be "mom." Neither, individually, could offer the stability the director wanted, but together they exceeded the stability specs and the extra money he put in their paycheck(s) was quickly returned by better service (and therefore retention and recruitment) of members.

**What Stability Factors Can You Offer?**

RESOURCE ASSEMBLY
As a fundraising event planner, in a few short years Bill had made it his business to get to know an impressive list of ancillary service providers: caterers, ice sculptors, gourmet chefs, printers, banquet hall decorators, hall rental agents, DJs, copywriters, etc. He also knew which ones were sympathetic to which causes and issues and therefore who might be likely to donate all or part of their services when needed. The resources he could assemble to produce events saved money and brought in more donations than any of the other candidates for the job. The event planning firm paid him a cut above the ORV$ of an ordinary event planner,

**Can You Save Your Company Money in Special Ways?**

ENTHUSIASM
Susie was a spark plug! She ignited enthusiasm all around her. Her talents were not significantly better than average, but her dedication, passion, commitment, and enthusiasm for the job made her a top candidate. When her employer offered ORV$ + $5,000, she said. "I think my work will be as good or better than average, and more than that, I believe every one else I meet will do better in their work because of my energy. What's the best you can do for someone like that?"
[Ans.: ORV$ + $10,000]

**Can You Sell Enthusiasm?**

So, you may be thinking, "Gosh, those are interesting examples, but I don't have 1200 IRS work-outs, 400 H.R. Directors, fluency in Chinese,
National Awards, a fat rolodex of contacts, or boundless 'spark plug enthusiasm' to bargain with."

I understand. It's unlikely you match these examples exactly, still the categories should help you brainstorm, "What do I have that's special?" so you can creatively sleuth out your own IV$.

If you can't think of any IV$ items that will directly bump your salary up front, how about ones that will bump it either indirectly (Bennies & perks) or later (Rf$, Bonuses)?

IV$ can be a negative number. If you’re below average, entry level, lacking a specific requirement, etc., your objectively researched value can be adjusted downward to make you competitively priced. That’s OK.

I paid a beginner website developer HALF the rate of a more experienced one because, frankly he took twice as long. However, he was much more communicative and available. My one low-paying gig set him on a career path that now pays handsomely.

You may choose to accept a lesser salary than you’ve researched for the job. Once you’re working there, learning fast, and showing your true value, your salary should rise dramatically—because, of course, you know now how to negotiate effectively for performance reviews and when raises are due. [How do I know? You’ve read my book Negotiating Your Salary: How to Make $1000 a Minute!]

Coaching resource.
Additional resource for identifying your IV$: Me. When people call me for telecoaching, there’s often IV$ negotiating strengths they’re not aware of. I am often able to help them see their IV$ in their mind so they can negotiate well and eventually see in their paycheck. Call me if you wish. 847-853-1046
Write down all the individual value you have – what you’re a step ahead of the rest on.

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________
Section 4 Considering Rf$ (Risk Factor Dollars)

Objectively Researched Value determines a range, and Individual Value a place within that range. Rf$ can take the salary off the chart! Whenever you are willing to negotiate compensation contingent on performance, you add what I call Risk-factor Dollars (Rf$).

Employers’ basic principle in hiring (and conversely, firing) is Tom Jackson’s Make Me a Buck principle (Chapter one, Negotiating Your Salary: How to Make $1000 a Minute.) They bring you aboard only because they think your contribution will pay back more money than your cost.

How much more money? Bundles! Count on it, and add Rf$ to your value.

If you’re just another cog in the wheel, you may not have much solid Rf$ value to work with, but on the other hand, if you expect to make a direct impact on the bottom line, this value could be very high.

Here’s another critical list to complete.

What are your Rf$ assets?

Bonus on extra high sales. Bonus for beating last year’s numbers whatever they are: sales, throughput, lead generation, purchasing budget, employee turnover, publicity, productivity, tax reductions, etc., etc.

Include what you see as the key duties and problems you’re going to solve for the employer. What goal(s) can you see achieving, and what’s the monetary value to that goal? Once you know how much money it makes or saves your employer… what’s your reward? Your share.
Create a time in which you think you could accomplish something measurable for a new employer and calculate your additional value. At higher levels, your work impacts the entire value of the company, so your Risk Factor Dollars might be in profit sharing or stock options.

Because results can be measured, you can negotiate additional compensation based on performance. It pays to try to predict the future and add it to your market value.

Rf$ Assets: Performance-based compensation ideas:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
Section 5  Your own internal “that's great” compensation package

The “Make Me Happy” rule.

Here’s a really subjective measure of good compensation, yet it’s at the heart of all negotiations. What number/package will make you happy.

You hear, often, that good negotiations are “win-win.” “Win” in this context means that both you and your employer feel a sense of satisfaction, “okayness” about the numbers that finally get agreed to.

Take a moment to turn to the BACK PAGE of this S.N.A.P. Guide and fill in the blanks on #s 2, 3, 4, 5, and 6 on that summary page.

Now, looking at ORV$, IV$, and Rf$s you put there, go inside. Take a quiet moment and ask yourself, “What compensation package would give me a sense of satisfaction. One that, when I think about it, I feel ‘That’s right; that’s a fair and motivating salary/compensation. I feel financially appreciated by those numbers.’”

You employer is doing the same thing. If either one of you feels like it’s off the mark, now’s the time to address it. It won’t work well for your employer to feel “gypped” every time s/he sees you. It won’t work for you to feel underpaid, financially unappreciated. It eats away at your motivation and performance.

Describe the ideal compensation package here and/or on the summary page in the back of this Guide.)

My own internal “that's great” compensation package
Write it in #7 on the Summary Pages at the end of this S.N.A.P. Guide.
Section 6 Your bottom line below which you’ll decline the offer.

The other side of the “Make me happy” coin is your bottom line. The clearer you are about what you need/want in the negotiations, the better chance you’ll end up with an offer that’s acceptable.

This number, like the “Make Me Happy” one is also subjective. It’s informed by the work you’ve done so far postponing the offer, letting them go first, considering their offer in light of your research, but in the last analysis, it’s more of a feeling than a calculation.

Go inside again. Ask yourself: what’s the number below which would I feel dissatisfied?

My Bottom Line Number and notes:

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

Whether the offer is in the “ecstatic” range or the “dead zone,” remember you still have ONE MORE element to go.

I’ve seen many offers turn around which were not acceptable to begin with. You can sometimes get the benefits and perks to compensate for missing elements in the basic compensation.
You’re all set to show up at Mr. Employer’s office, with an opinion -- not chiseled in stone -- of your range around the range, the highest value you think you’re worth, and the lowest you’ll accept.

If you have black-and-white evidence to support your opinion, bring it with you in case you want to educate your interviewer. Also, be prepared to upgrade it according to the particulars of the job.

Grounded in your knowledge of the market value for the position and your ultimate knowledge of your quality, you’ve calculated two figures before going into the interview: the highest you’re worth and the lowest you’ll accept. So after silence, and perhaps your first raise, tell the interviewer whether the figure offered is too high, too low, or just right.

1. A response to “too high” might be: “Well, that’s very fair, actually a wonderful offer. I take it as an indication of your belief that I’m someone who can do the job. Let’s get the benefits clear and I think we can make the deal.”

IN YOUR WORDS:

2. If the offer is too low: “Well,” you continue, “from my research I estimate that positions like this for someone with my qualifications are paying in the range of X to Y thousand dollars. What can you do in that range?”

IN YOUR WORDS:

3. If negotiating stalls because the offer seems too low: “Well, we seem far apart at the moment. I don’t want to decline the offer
because I still think the fit is good. Why don’t we do this... Let’s talk again soon [means 24 hours or less, BTW]. I’ll make you this promise: I’ll look over the compensation to see if I can accept it; meanwhile, you can take some time to see if there’s anything we’ve overlooked to make it better. Then, if I can accept that offer, I’ll say yes, and I’ll mean yes. If I can’t feel right about the deal, I’ll say no, and suggest you look for another candidate who will fill the bill for you at that price. How does that sound?”

IN YOUR WORDS:

4. Negotiations still stalled (and you want to accept): “I think we have starting point. Since I expect to learn fast, work hard, and become very productive for you, I’d like to discuss scheduling a tentative raise to X thousand dollars in six months.” That way you’re not pushing beyond their best offer, but still bringing up a potential raise.

IN YOUR WORDS:

Offer not good enough yet? I’ll repeat what I said above: Whether the offer is in the “ecstatic” range or the “dead zone,” remember you still have ONE MORE element to go.

I’ve seen many offers turn around which were not acceptable to begin with. You can sometimes get the benefits and perks to compensate for missing elements in the basic compensation. The next section covers “BENNIES AND PERKS.”

The happy outcome to successful negotiations will be, of course, that you’ve used everything you’ve learned so far to get all you want and deserve in the money column. Or is it? Don’t say thank you and go off
to sign the paperwork yet. There’s a whole lot farther to go, and we’ll do that now with Salary Making Rule 5: Clinch the Deal and Deal Some More.
Section 7  Your list of bennies and perks.

“Bennies” is slang for benefits, “perks” for hiring perquisites. They are important for two reasons.
--First, they can complement a solid salary, making the total package even better.
--Second, if the salary you’ve been offered isn’t quite what you expected, adding on some of these often-nontaxable extras can bring the entire offer very close to the figure you had in mind.

That is the meaning of Salary-Making Rule 5: Clinch the deal, then deal some more.

I’ve put together a list for your reference on the major benefits and perks you should consider. **Highlight those that are most appropriate for you and your job.**

Review your total compensation package. Then from the checklist below, make careful notes on both the real and perceived value of each item in dollars, time, energy (saved or gained) and general satisfaction.

Make a note of what’s standard, and what could really add to your compensation package without having to bump your salary. A car and gas, for instance, could be a $15,00/year perk, tax free, and money your employer doesn’t have to pay FICA and Unemployment Tax on.

This is your “workbook” to fill in the blanks.
If you want more background information about each of these elements, go to the book: *Negotiating Your Salary: How to Make $1000 a Minute*.

I. BASIC COMPENSATION
   - Base salary
   - Sales commission
   - Bonuses
   - Signing bonus

II. BENEFITS
   - Vacation time
   - Sick days
   - Wellness days
   - COLA
   - Insurance:
     - Health
     - Life
     - Disability

III. PERQUISITES
   - Profit sharing
   - Financial-planning assistance
   - Stock options
   - Pension plan
   - Legal assistance
   - Child care
   - Tuition reimbursement
   - Country-club Membership
   - Special training
   - Courses
   - Luncheon-club Membership
   - Deferred compensation
   - Athletic-club Membership
   - C.P.A. and tax Assistance
   - Consumer-products the company can make.
Give yourself time to think, but don’t be cool, indifferent, or undecided. When you’ve finished negotiating, put all your enthusiasm back in gear and say, “This sounds terrific! I think we’ve really got a solid match
here. Would you jot this all down so we’re clear? and I’ll get back to you as soon as you need to know. When do you need to know?”

IN YOUR WORDS:

Negotiating Severance Benefits

As downsizings, RIFs, and mergers become more common, so also do severance packages for terminated employees. It’s far better to negotiate severance benefits when you’re hired and things are looking rosy rather than after the fact and both you and the business are gloomy.

You’ll want to emphasis two things.

1) It’s not them that you’re worried about and
2) There’s nothing to lose.

Here again is a typical dialogue for you to modify to your own language and rehearse with your practice buddy,

“Mr. Employer, there’s one small concern I have. I wonder if we could discuss it.” [Of course!]
“Well, do you foresee a change in management, a merger, buy-out or change in ownership anywhere on the horizon?”

[ No! ]

“Good. Sometimes a job can be going great and I could be performing well, and then, through no fault of my own, there’s a chance I could be out on the street. So, you don’t foresee this happening, is that right?”
[No, no, that won’t happen.] Notice you avoid implying you don’t trust them by “blaming” potential involuntary termination on possible changes in the market or management.

“Well, then what I’m going to request shouldn’t cost the company any money at all. Could we agree that in the unlikely event I’m involuntarily terminated (except for cause) that I could have ____ month’s severance pay including medical benefits?” Notice softening position number two: if there’s no changes in the foreseeable future, then severance won’t cost them a cent!

Figuring severance benefits

There are four major components to consider when negotiating severance benefits. Use the following checklist to prepare your requests.

**More Money**
In most situations, employers aren’t required to offer even two weeks’ notice (severance), though they generally won’t go below this unless you are terminated for cause. Severance pay should be in addition to, not in lieu of, accrued vacation and personal time.

Generally speaking, the higher your rank, the more you can get. Four weeks for each year of service is extremely generous; be joyful at three; an employer’s initial offer would probably be one or two.

How many months do you want to ask for?

**Bonuses and Commissions**
If you have deals that are cooking and won’t close without your tending, negotiate commissions you otherwise wouldn’t get, in exchange for helping the company to close or keep the accounts despite your transition.
Do you anticipate this happening? Make notes here of how you would expect that be handled.

Bonuses are often paid on a quarterly or annual trigger date. Write a question here you could ask about either staying longer in the job to meet that date and/or getting a portion of the bonus due.

**Job-Search Assistance: Outplacement**

Make notes here of what types of assistance you think would be helpful to you such as temporary office space, use of telephones, faxes, etc; outplacement services which would be of your choice, etc. We’re not quite in the “Don’t negotiate this now” territory, but not quite. The next item, Letter of Recommendation, is in that territory.

**Letters of Recommendation**

This is part of severance negotiations, but not “up front” severance negotiations. Ask if a letter of recommendation will be provided. Also ask if the employer would like you to supply one that he could edit?
Your Personal Summary

It’s show time! Use this page to create your own personal salary negotiating script from what you’ve learned from my book, and especially from the exercises in this S.N.A.P. guide. Enjoy a prosperous outcome!

1. The phrase(s) I’ll use to postpone salary discussion.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

2. Salary ranges I found for this position. (ORV$s)

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

3. What I offer over other candidates. (IV$s)

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
4. Possible performance based compensation. (Rf$'s)

5. Here’s where I fit in the range.

6. Here are the reasons I fit there.

7. This is what my skills, experience and potential added value are worth in addition to initial salary/benefits offer. This is will “MAKE ME HAPPY.”
8. This is what my skills, experience and potential added value are worth in addition to initial salary/benefits offer. This is MY BOTTOM LINE

________________________________________________________________________

________________________________________________________________________

9. What I’ll say to a job offer.

________________________________________________________________________

9.1. High: ________________________________________________________________

________________________________________________________________________

9.2. Low: _________________________________________________________________

________________________________________________________________________

________________________________________________________________________

10. What benefits and perks do I expect to be “standard” and offered?

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

11. These are the additional perks, benefits and bonuses I’ll ask for. 
(Include their monetary and/or perceived value to you for each one.)

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________
12. These are the factors I will look for in a severance agreement.

O – O – o

Here’s wishing you the best of success.

If you think you’d make more money with a coach, call me. Jack Chapman, 847-853-1046. I love helping people make more money.