



5 Negotiation Case Studies: With Word For Word Scripts

Negotiation Case Study #1

Hey Ramit,

I forced my fiancée to endure (her words, not mine) your posts and videos on negotiating before her recent job interview.

Using your tips she got a salary **\$8,000 higher** than she was willing to accept and **30% higher than she was previously on**.

So, thanks! If you're ever in the UK, I'll buy you a beer (or two).

Details:

About mid way through a positive job interview the interviewer pops the question. We had practiced different scenarios extensively here and done a hell of a lot of research. We had agreed between us that a baseline figure of £28k (\$45.5k) would be about right.

Interviewer - "What are your salary expectations for this position?"

Her - "Well, first I'd like to learn more about the position and be sure that we're the best fit for each other."

At this point the interviewer nods and continues on other topics. Later...

Interviewer - "So, if you're happy with what we've discussed so far, I'd like to get back to salary expectations. What would you be expecting for this role?"

Her - "Thanks, I like really like (position). I would especially like to work on (major project), I noticed looking on your website that you haven't (missing element) - so I can probably help there. What sort of budget did you have in mind for the role?"

*Interviewer - "Marcus, the guy who did the job before you, **was earning £29k.**"*

Her - "But now you're looking for someone for more experience and to work on the major client projects."

Interviewer "Yes, ideally we want someone with more experience and can handle our bigger clients."

Her - "So your salary for this must be significantly higher than what Marcus was being paid?"

Interviewer - "I would have to check. I'm not really sure what budget (boss)

Notice how she easily reframes this data point: "I'm more valuable, so doesn't it make sense that I should be paid more?" And of course it does.

had in mind.”

Her - “That’s fine, let me know what your boss has in mind. I have 3 more years of experience than Marcus and I’m looking for a more senior role than he had, so would expect higher than that.”

Interviewer - “Ok, I need to warn you now. We are on a limited budget and I’ll try my best, but I wouldn’t expect much more than that. (Boss) isn’t likely to be spending too much more money than what Marcus was on. Would you be willing to accept £29k just to begin with?”

Her - “I’m looking for a senior (job title) position. So if that is the role you’re offering and is valued at the right level then I’m very interested. If it’s not then there are probably better people for the position. I have two friends who are looking for (job title) roles. They don’t have as much experience, but would be better if you’re looking at a more junior level.”

Interviewer - “No, we’re definitely interested in you. I’ll talk to (boss) and see what I can get for you. We should be able to get back to by the end of the week.”

A few hours later she received a call offering £33,500 per year.

- Rich

Negotiation Case Study #2

Hey Ramit,

I’ve been a reader for a while, got your book and saw your most recent blog posts regarding negotiation. I’ve always had friends ask me how I negotiated my way from 40k to 50k for my first job with only 06 months of programming experience and only having worked at Starbucks previously. If you think this would be useful to post to your readers, please feel free.

Thanks a ton for all of the advice you’ve provided,

-Stephen, Software Programmer

Email

Hello (Hiring Manager),

*Thank you for the offer, I am very excited to start working for TechCompany but I would first like to discuss the offer that was presented. To start, I believe that even though my title would be “Software Engineer,” I would take it upon myself to really be a team player and add value to every aspect of the company in order to not only help achieve the \$1B milestone but to exceed it! I have these **personal goals** for while working for TechCompany:*

This is a fantastic example of how you can use the Briefcase Technique anywhere —even AFTER you’ve received the job offer.

Develop a fantastic product – As a software engineer

1. *Develop the product to the point where students are demanding their school to purchase the product for them. This would greatly reduce the work for salesmen because schools would be coming to us instead of vice versa.*
2. *Consider the 80/20 rule when developing the software – focus on the most heavily used features (20% of the functionality) of the website and enhance them as much as possible to generate the greatest returns in satisfaction (80% of customers).*
3. *Simplify the product so there is a smaller learning curve to use the site (from my initial impressions of the site).*
4. *Incorporate testing standards to ensure that the product remains stable for each successive version that is released. Testing ensures that the product is high quality and remains so after future revisions. This actually REDUCES development time because you don't have to go back and fix problems that creep up.*
5. *Study actual usage of the website (physically watching people use the site) and alleviate any problems they run into.*
6. *Ensure scalability of the application so that TechCompany can successfully be used by thousands of simultaneous users.*
7. *Mimic the actions and techniques used by the top most-downloaded Facebook applications to increase the likelihood of a highly popular product.*

Secure the website – As a system administrator

1. *In the first few minutes of inspecting the website, I discovered that the web server is running Webmin which, if successfully accessed, would allow an attacker complete control over the server and its information. I have a good amount of experience with Webmin and understand how it works to minimize this vulnerability.*
2. *I currently manage my own server running Ubuntu 7.04 Feisty Fawn and must understand everything from the email system (Postfix) to ensuring valid firewall rules to deter attackers from an easy attack.*
3. *Server is currently susceptible to cross-site scripting, which may compromise security. This is important when offering services that use credit cards and other payments over the internet. We must ensure users that they are secure in these transactions.*

Stimulate demand and web presence – As a web marketer

1. *Help to develop highly effective web marketing strategies to help promote the website.*
2. *Knowledgeable of the top sites out there where we want to be recognized*

3. Currently have contacts within the blogging community for major websites, such as Mashable.com, that would review the site for us and generate a lot of demand.

Help the team achieve their own goals – Team player

1. I have a broad range of skills and knowledge that can help other employees achieve their own goals. Examples within the first day include my experience with Macromedia Flash – for simplifying the addition of adding quotes to the pages, Basecamp – to help organize the team and establish a single place to collaborate on the product.

Sorry for the long-windedness of the email but I want to emphasize the amount of dedication and willingness I have to make TechCompany the leading application to use for your organization. According to salary.com, the median salaries for the bottom 25% of web developers is \$56,095/yr for Fort Worth, TX. Although I understand that TechCompany is only 1 year old, I believe I can help TechCompany achieve its \$1B valuation. Because of this, I am proposing a starting salary of \$4,200 per month, before deductions. I am not at all interested in working a flat 40 hours per week – instead, I am dedicated to helping achieve the goals of the company, regardless of how many hours that will require. As I stated earlier, I look forward to working for TechCompany because I believe in the product and company.

To which he replied:

Stephen – this is great!!! **Based on your responses below we are definitely willing to offer you \$4,200 per month.** You clearly are the team member we want on our team. I am confident you will bring much value to TechCompany and we all greatly appreciate it. Thank you for demonstrating your willingness to make the company happen!

Negotiation Case Study #3

Hey Ramit,

I'm a senior college student looking for ways to build a huge career as a physician. I've just gotten a job offer from my first-choice healthcare consulting firm...I just wanted to let you know that I went on a bit of a limb and did indeed try negotiating the job offer.

Essentially I told my recruiter, I really like and want to be with the company, but I'm noticing that my friends getting offers from other consulting companies are being offered signing bonuses as well, and I was hoping I wouldn't have to get used to feeling undercompensated relative to my peers. She said it wasn't their usual practice, but she'd look into it. The very next week she called me with an updated offer including a \$5,000 signing bonus.

It might not sound like a lot, but I think the phone call was a very good use of 5 minutes. This to me was an example of the “big wins” that you keep reminding your readers to focus on, and of questioning the invisible scripts that had been intimidating me initially. So thanks for writing the content that... inspired me to make that phone call.

-K, Healthcare Consultant

Details:

Me - “Hi (Recruiter), I’m calling just because I wanted to talk more about my job offer with the company. As you know, I’m still really excited about it, and I still really want to work for the company. But as my friends have been getting offers from other companies. I’ve been noticing that a lot of their offers include signing bonuses. So I was wondering what (Company’s) policies are around that. Again, I really like the company, but I’m worried that I’d spend my time there feeling undercompensated relative to my peers, and I hope that wouldn’t be the trend.”

Recruiter - “Well, we don’t tend to offer signing bonuses to entry-level employees, but because you are one of our most competitive applicants and we’d really like to have you at the company, I can certainly look into it for you!”

Me - “Yeah, I’d really appreciate that---thanks!”

The next week...

Her - “Hi Karan, I’m calling about your offer with the company. I talked to Finance, and we can offer you a \$5,000 signing bonus to join the company.”

Me - “That’s absolutely incredible... My next question is, how do I accept?”

Her - “You just tell me!”

Me - “Well, I accept!”

Remember: When you’re a top performer, “standard” practices don’t apply.

Negotiation Case Study #4

Ramit,

I’m doing a job search now, and I have been going through your stuff on negotiation. I made the mistake early on of giving out my previous salary... so of course I was worried about being boxed in. This also made me realize I was a fool to not care about a raise at my last job, as you covered in one of your videos, since it negatively affects things going forward.

Fortunately he posed the question [of expected salary] over email, which I think tilted things in my favor.

Email

Recruiter:

I just want to make sure you are interested in the position and get a good feel as to what your time frame for making a move is? Also, I know we discussed briefly but I was hoping to get more clarity on what you are looking for from a compensation standpoint?

Me:

As for compensation, I'm not sure I could quantify that without getting a feel for where my skill level fits in with some of the other consultants after meeting with them during the tech interview. We had discussed the probable need for some training on the business side, but I'm basically looking to make market rates for a C# developer, so I'm sure your consultants are within that range.

Him:

From a compensation standpoint, we would probably be looking in the \$100k + or - range. It really depends on how the other interviews go.

This is almost 30k more than what I was making previously...he knows this. But here's the real coup-de-grace: I was going to be stupid and say something like 80-90k, **but I shut up and put it back to him,** and look what we've got. Next time you're in NYC, I'd love to take you to dinner.

-Mark, C# Developer

Sometimes it's okay to go first. But most of the time -- and especially when in doubt -- let them make the initial offer.

Negotiation Case Study #5

Hi Ramit,

I'm a "permalance" entry-level promotional producer for a cable network (hired a few months before graduating college) but I have quadrupled my workload since getting hired and all promises of benefits have repeatedly been broken.

Still paid as a college student (\$15/hr) my fixed expenses including my student loan payments were a heavy, heavy majority of my take-home pay. I had no room for 'guilt-free' spending. I was feeling really dejected, undervalued and hated my work life. Your budgeting breakdown reinforced that I truly deserve to be paid more- I shouldn't be working over 40 hrs a week and not be able to pay all my bills and still feel okay about having a drink with friends every now and then.

Your blog has been my homepage on my office computer for months and your posts gave me the drive to try to improve the situation I'm in. I especially love your videos on negotiation, the role play with Susan helped so much with giving me scripts and reminding me to be confident in my worth and my right to negotiate...

A great way to strategically increase your negotiating leverage, even if you're not applying to other companies.

...I finally asked for a review from my boss about a year after I began working here (freelancers don't generally get a review). I timed this strategically; there was an **open position**, with benefits, in our company's Publicity department. I knew I would be great at this [Publicity] job; as my first college internship at my company was in this department.

So I had my meeting with the VP of my current department, he gave me rave reviews- which I expected because I work my ass off! After the great feedback, I told him that I love working for him but I'm not sure how long I could afford to stay working here. I went through a laundry list of my responsibilities, ideas I've pitched that have made our department money, and why they need a 23 year old like me to keep them competitive with other cable networks' fresh ideas and online social marketing techniques.

I told him that I need a substantial raise- (\$20/hr). He told me that budgets were tight, yada yada yada- so I told him that I understood, and that's why I'd applied to the position in the Publicity department. With this he got nervous! He told me that they couldn't afford to lose me and have to train someone else to take on all my roles. He promised that he would pitch the idea to his boss and get back to me. I followed up with him just before my interview for the Publicity position, asking him for an update, since it would likely influence my decision making process. This seemed to make him extra nervous.

Cut to a couple days later, the Executive VP of my department called me into his office. I came in armed with my PayScale.com report which backed up how reasonable my raise request was, just in case I got pushback. He told me that they can't lose me, they see promise in me and want to develop me in their department, and that he believes they could offer me more opportunities in the future than another company or even another department. And... that my raise had been approved in full. Instead of making about \$28,800/yr I now make \$38,400. Almost a \$10,000 raise feels like a lot, but I feel even better about it being a 33% raise- which was not left unmentioned by my boss. He told me it was **unprecedented** but that he believes I deserve it.

I know I did all the hard work and planning myself, but it's really thanks to you that I had the confidence and the script to execute it. A \$10,000 raise was earned from about \$15 for your Ebook, and a little extra reading and planning. I hope to meet you sometime in the future- if I ever bump into you when I visit SF, I will have to ask to shake your hand.

Thanks Ramit! :)

-Tessa N., Promotional Producer

Takeaway: Employers will move heaven and earth to get (or keep) top performers on their team.