



How to Negotiate - ICLR Edition

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Welcome!

About Me

- **Career Agent, Sales & Advising @ Rora**
 - Negotiated offers for quant finance firms, consulting firms, big tech companies, and startups
 - Put millions back into the pockets of candidates
- **Background Expertise**
 - *Recruitment Consultant* for full-cycle recruiting including from interns all the way to C-Suite executives and *Career Coach*





\$250M+ Offers Negotiated, 450+ clients

Name	University	Company
Liam Fedus	University of Waterloo	Google Brain
Abhishek Das	Georgia Tech	Facebook AI
Ben Elizalde	Carnegie Mellon University	Microsoft Research
Rahul Arora	University of Toronto	Facebook Reality Labs
Vitchyr Pong	UC Berkeley	OpenAI
Steve Schwarcz	University of Maryland	Amazon

Industry Trends



-
- Great time to be seeking a new employer
 - Whether that's entering the job market for the first time or switching jobs
 - Great Resignation
 - It's an employee's market
 - More willingness to set boundaries
 - Less fear to speak up



- Pay transparency Laws
 - Requiring employers to be upfront with what the role pays
 - NYC (Effective 5/12/2022), Colorado recently joined this growing trend
 - CA, MD, WA, CT, NV, and RI (effective 1/1/2023) already have passed laws
 - MA and SC on trend to also pass laws



- Pay Transparency Laws ***Heads Up:***
 - Loopholes and differences in definitions
 - Possible for employer to give you a range as low as two levels below
 - When they are required to give you this info can differ from jurisdiction to jurisdiction

“What are your salary expectations?”



- Despite having all the info, employers still insist that you provide them with your expectations first
 - <https://money.yahoo.com/underpaying-a-job-candidate-pay-disparity-213320214.html>



Mercedes S. Johnson

8h ·

I just offered a candidate \$85,000 for a job that Had a budget of \$130K.

I offered her that because that's what she asked for. & I personally don't have the bandwidth to give lessons on salary negotiation.

Here's the lesson: ALWAYS ASK FOR THE SALARY YOU WANT (DESERVE) , no matter how large you think it might be. You never know how much money a company has to work with.

#beconfident



Through effective negotiation tactics, companies have been able to prevent candidates from getting compensated their market price

Employers have the info and wait for you to make your case to them

Until then, they pressure you into accepting as quickly and as cheaply as possible



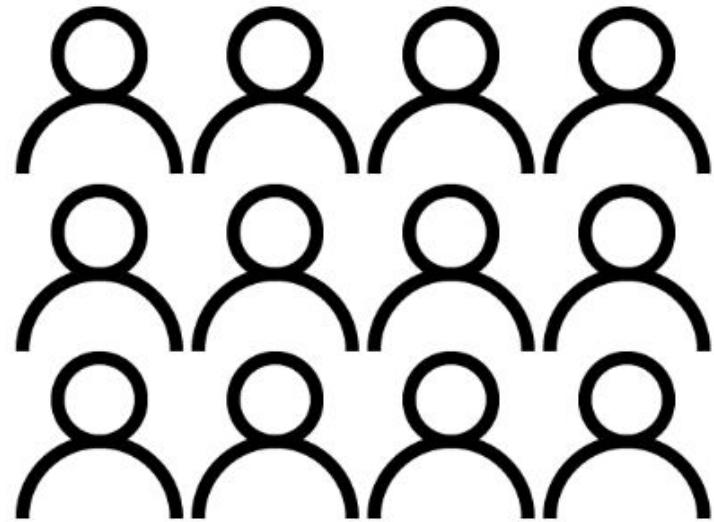
Time to Even Out Information Asymmetry

- With these trends and laws, now is the time to even out the playing field a bit
- Employers have the data, analysts, recruiters, managers
- What do employees/candidates have?
 - Advisors, friends, parents and whatever you can find on the internet
 - Left to fend for yourself while having to finish your studies

Why is the status quo so broken?



VS





-
- You only know what you know
 - Sometimes we're so uniformed we don't even know what questions to ask
 - You've also been conditioned to think that any offer is better than what I'm getting paid in college/as a PhD
 - You can be grateful to have an offer AND still go after your market worth



Why does this matter? What does it mean for me?



Why it is important to negotiate

- Starting at baseline can not only cost tens of thousands or even hundreds of thousands of dollars, but also several years in your career
 - Promotions.raises from starting point
 - Need to leave to get paid more
- Invaluable information that comes up during negotiations, and even in conversations leading up
 - GS's story*
 - KR's story*

*all names have been acronymized to protect identity

Not Negotiating Now, Hurts You Later

- Current compensation sets a baseline for future compensation
- Promotions and career growth is based on the impact of what you do, and what you are paid is strongly correlated with your opportunity for impact
- How a company responds to your negotiating gives really good insight to how you are being valued in the company

**How do you know your true
market value?**



Where do we look for market value resources?

- team blind, ai.paygrades, h1bdata, levels fyi
 - How accurate is this data?
- Peers who have entered industry prior
 - YZ's story*

*all names have been acronymized to protect identity



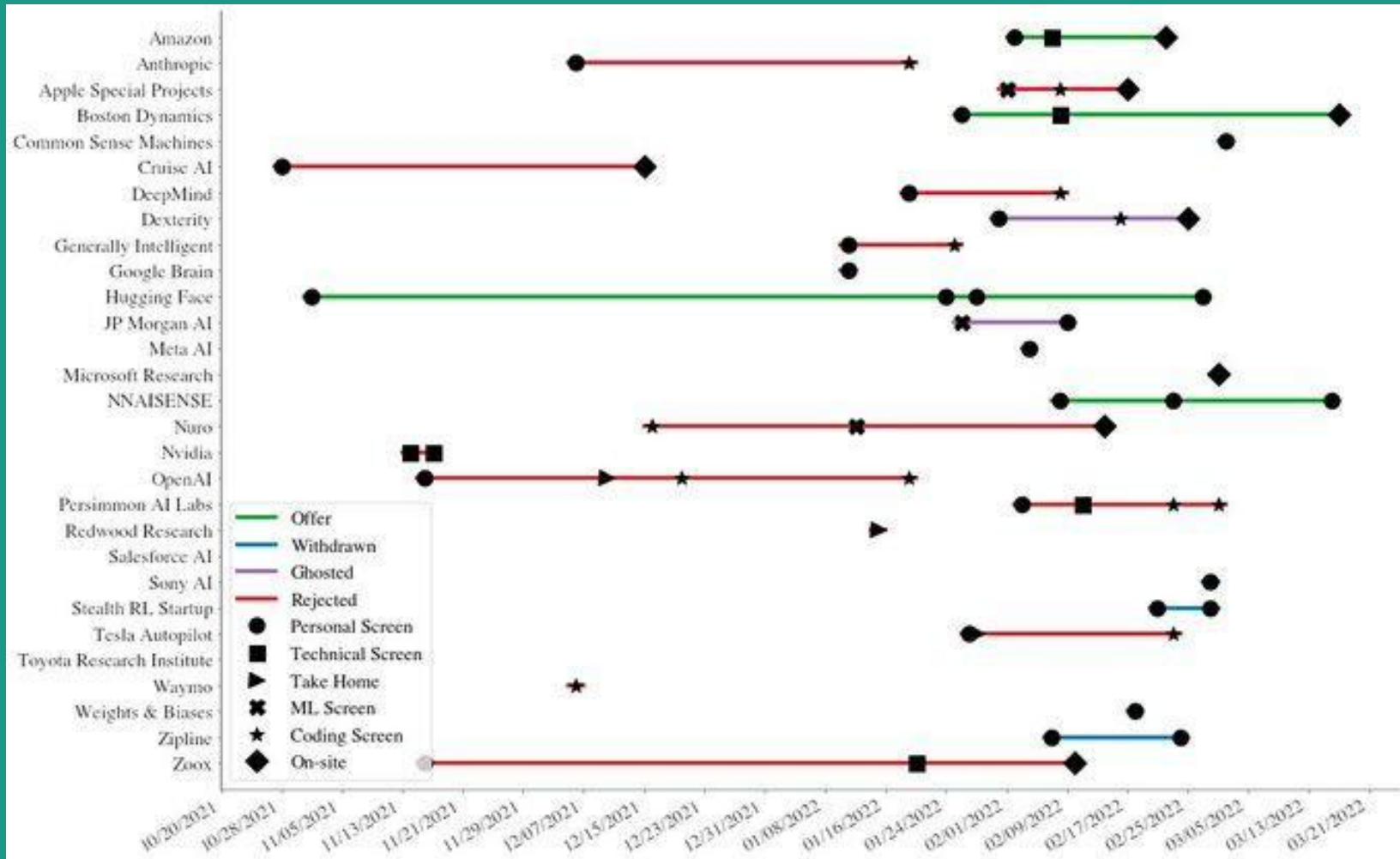
You Define Your Market Value

How do you define your market value?

Companies know they are competing with other offers you might have.

If you define your market value higher for one company and they give you that compensation, this is now your market value for any other offer you may have.

**What does the standard
recruiting journey look like?**



6 months/average process

- Sourcing stage (application stage) - 1-2 months
- Interviewing stage - 1-3 months
 - *critical stage for negotiations later on
- Researching stage - <1 month
 - Will touch on the significance of this stage later in presentation
- Negotiations - 1-3 months

Sourcing Stage

- Referrals
 - Advisors
 - Peers
- LinkedIn
- Conferences
- General application

The importance of timing

- Need to expedite decisions or slow down ones already received
- Space out apps for “slow” vs. “fast” companies, e.g. Google vs. earlier stage startup
- Timing and timeline
 - My ideal start date is _____.
 - I want to decide where I'm going next by _____.

Interviewing Stage

- Your goal is to get three (3) offers in each league
 - Big tech vs. big tech
 - Startup vs. startup
 - Finance vs. finance
- Why not 3 overall?
 - MD's story*
- So, you can't negotiate with 1 or 2 offers?
 - Of course you can!
 - KR & SR's stories*
 - Less leverage due to less iterations possible

*all names have been acronymized to protect identity

Post-onsite/Offer Stage

- Information control is key
- Recruiters want to extract information before giving an offer and then create pressure to get candidates on tilt
- Goal: Have the company share info first. It almost never helps to share numbers first.



If negotiating feels like a gamble, it's because the companies are the house.

The “Art” of Negotiation

- If data is so important, why isn't it called, “The Science of Negotiation?”
- Negotiation skill > Market data
- No need to play all cards at once!
- Playing the long game

Scenario 1 - Info extraction

HR asks for your expectations

Potential Responses

“I’m not sure. I’d like to hear your offer first before doing my own research so that I can make an accurate assessment.”

“Can you provide me with more info on the salary band for this role?”

“What do you think is in range for me to expect given my background?”

“I’ll need to get back to you after doing some additional research.”



“We can’t move forward without hearing a number.”

“Unfortunately, at this stage I do not feel comfortable providing an offer to myself. I would like to see X’s company’s numbers first.”

“I am still in various stages of the interviewing/offer process with several companies, so I will be sure to share relevant data as it comes in.”

“Where else are you interviewing?”

Your choice of whether to share. Generally apples-to-apples comparisons are best - companies of similar size, same industry, same type of role you are applying for.

“I am still in various stages of the interviewing/offer process with several companies, so I will be sure to share relevant data as it comes in.”

“What other offers do you have?”

“I know that you might need this information to advocate on my behalf, so I will be sure to provide details soon, but I want to be sure that I bring you the strongest offers possible.”

“I do have another offer with a tight deadline as I mentioned. I am still finalizing the details of that offer, so I am not quite ready to share.”

“Once I have more clarity on the terms of that offer, I will be sure to share whatever might be helpful to you when advocating for me.”

“What is your timeline?”

Goal: State what you realistically need plus AT LEAST two weeks.

“I am not looking to rush this decision. I also have a lot of responsibilities for my grad program. **INSERT OTHER REASONS HERE.**”

Expedite interview feedback, extend deadline(s).



“That is way too long of a timeline. We can only keep the offer open for 1-2 weeks.”

“I will take that into consideration, although I think that could be a very tight timeline for me to make a decision.”

“This is a very big decision for me, and I am hoping to make a long-term commitment at the company I join, so I want to give this decision the attention and time it deserves to make a thorough evaluation of my opportunities.”

“I have also noticed that there can be many unexpected delays in the recruitment process as each company has their own way of doing things, but I will of course keep you updated on where things stand as I continue in the process.”

Scenario 2

HR provides numbers

“Here are some initial numbers. How do you feel about them?”

- Show gratitude, stay neutral in your response
 - “Thank you for updating me on the salary/salary range.”
 - “Are there specific components to the offer such as bonus and equity that we can go over as well?”
 - I am appreciative of you sharing these details.
 - I’ll need some time to digest the offer.
 - I’ll be sure to update you when I have had time to outline my feedback.



What are all components of an offer?

- Base salary
- Annual bonus (usually a percentage)
- Sign-on bonus (sometimes not included in initial offer)
- Relocation bonus: if applicable
- Equity (value of shares, # of shares, vesting schedule): if applicable
- Location:
- Position, Level, and Title:



“Which way are you leaning? Are we your top choice?”

- “I appreciate all the information that has been provided thus far and enjoyed going through the interview process.”
- “I am looking forward to reconnecting with the hiring manager and others on the team to learn more about the role and the expectations/potential projects I’d be working on.”
- “I will let you know if there’s anything else I need more information regarding.”
- “I appreciate your partnership through this process.”

Why you should not negotiate right away

- You have yet to collect all information on your leverage
- Hard to quantify negotiation numbers on the spot (might aim too low or too high w/o much backing)
- Reveals excitement

**Now you have the offer...now
what?**



Get the offer in writing and set up meetings

Email offer details back to recruiter (if they share them) - ask them to confirm and provide the full details in writing

Request info on any offer details that were unclear or missing - often this relates to equity

Request recruiter's help setting up any additional calls you may need to give you clarity on the role and help gather leverage points for negotiations

*Use this time to request an additional month past the deadline if you are still waiting on offers, using personal reasons

If the recruiter declines your extension

Supercede and go to manager

Never take what the recruiter says completely seriously - always double check with your manager to confirm any information around other candidates, headcount timeline, etc.



Recruiter's Job: To get candidates to accept an offer as quick and cheap as possible for what they will accept.

Manager's Job: To achieve the company's business objectives through managing their direct reports.



Deadline example:

Sally, Economics PhD, gets an academic Assistant Professor offer at a college for ~\$100K/year.

“We need an answer by the end of the week.”

Mind you, Sally is approaching Rora with only 3 days left before the deadline.

Sally is still waiting to hear back from two other universities and a consulting firm, but the College is her #1 choice AND the only offer she has in hand. Keeping in mind their needs over her own, Sally is even afraid to ask for 3 extra days despite having other interviews and processes in play.



Deadline Example Continued:

Many candidates don't know that deadlines are negotiable and under recruiter pressure, they cave. Sally negotiates an offer deadline extension using Rora so she has time to hear back from at least one of the outstanding employers.

Sally not only was able to get those 3 extra days, but within those 3 days, a consulting offer came in offering her ~\$306K. She didn't even sign it right away and the employer raised the offer by another \$10K on their own.



Deadline Example Conclusion:

Sally almost let the following cost her an additional \$220K per year:

- Fear of deadlines
- Fear of offending an employer by not taking care of their needs
- Fear of only having one offer in hand
- Completely ignoring her own needs



Deadline Example Conclusion:

Sally's key to a successful negotiation:

- Negotiating and Controlling the timeline
 - Extend the deadline
 - Take her time with understanding her offer, her position and addressing her concerns
- She did not need market data to be successful

Research Leverage Stage

Negotiate for Information

- Why did the role open up? What is the current context of the work environment?
- Have you talked with team to understand your manager's management style? References?
- What would I have to achieve to be promoted?
- What is your manager's plan for his/her team and expectations for you?
- What are the biggest roadblocks?
- Who is your skip level manager? What is his/her plan and expectations for your team? What are the biggest challenges?
- Why did they give you an offer and not the other candidates interviewed?

Why it's important to meet with your manager again

- Gather important information on your leverage
 - What your interview feedback was
 - Where you stand amongst the team you'll be joining...
 - ...and the candidates who've applied
 - How aligned your research is with the team's goals - future value add
 - Etc.
- Conditions for negotiating, gets support and clear signals

The importance of having a good fit with your manager

- In a good fit, managers
 - Put their direct reports before themselves
 - Are good at negotiating for themselves
 - Make you feel safe
 - Has the time to invest/mentor you
 - Gives negative feedback
 - Has power/influence in the organization
- Success within a company is a political process and this begins with your manager

Why it's important to meet with your team again

- Gather important information on your leverage
 - What makes your background unique
 - How fast the team is growing
- Understand how leveling works - meet with a teammate at your level and a recently promoted team member
- Understand how your manager helps grow the team

Negotiation Stage



Candidate Fear/Thought: *I am hurting relationships/career by negotiating*

- Negotiating is a standard part of any business relationship, it is the rule not the exception
- While it is new and uncomfortable for you, managers and recruiters are negotiating all of the time in other hires and work
- HMs are expecting you to negotiate
 - May even see it as a red flag when you don't



How to de-risk losing an offer from negotiating?

Understand your leverage before you negotiate:

- Are there other candidates that the company is also at offer stage with? How do you compare? What is the headcount this year?
- How much buy-in do you have from the team/manager/senior leaders?



At Rora we see these four tactics all the time:

1. Basing salary off of previous history or low expectations
2. Deadlines
3. Verbal offers / pressure
4. Lowballing

These tactics prevent competition when a candidate is negotiating multiple offers.



Why it's important to ideally wait for all offers

- Full range of possibilities is large
 - XH's story*
- What if you ask for something another company gives you upfront?
- Sometimes offers can change 75%+
- Can save the company you like most for LAST
 - Opportunity to practice
 - Much harder to play hardball with a company you are most excited about



Goal: Get Offer #2 without any mention of a counteroffer.

XH's* story continued

- If you have two offers, \$230K Apple SPG and \$360K Cruise, and are waiting for more, and both managers are firm on deadline, what do you do?
 - Misconception is to get Apple SPG to match Cruise
 - How do you get Cruise up?
- Value add and anchor high!



“Google is a data driven company. We need counters to negotiate.”

- “I’d be happy to provide more info at a later time. Unfortunately I won’t be able to proceed where the offer is currently at without a change, because I am not willing to forego other opportunities without a change.”
- “At this time I would like to be evaluated independently by Google and am hoping we can work together to get to an agreement on what we believe is my fair market value based on my research and my fit for this team.”

Common pushbacks

[This compensation would be outside any ____] for new grads.

We want to set you up for success, not failure. You should come in at the right level of compensation and expectations.

We need to watch out for team equity.

We've been quite generous in the time we had allotted you, we do need a decision from you immediately. Otherwise we will consider other candidates.

[“Let us know by two days later”]

[The best we can do is X]

[Your compensation will grow as you grow at the company]

[I think you would be a better fit elsewhere]



"We have to think about internal equity with the team"

- A rising tide lifts all boats, compensation teams pay more based off of retention or when new offers get too high.
- Companies use this argument while never providing transparency. Actual internal equity does **not** exist inside organizations.
 - YOU as a candidate have more transparency than current employees thanks to the new laws
- Promotions/layoffs don't happen as a team, they happen individually. Companies use internal equity argument when it fits their agenda.



“We will take care of you once you start working”

- Amazon Applied Scientist fiasco
- DeepMind researcher who won best paper at ICLR
- Companies hire externally more often than promoting from within, this is the company deliberately hiring people above you rather than promoting, you have to negotiate to ascend or you will never grow

Scenario

Offer #2s are similar and not at goal number yet (SR's story)*



When counters come in handy

- Negotiations can go longer with more iterations with additional information provided at each iteration
- Always want to see what a company is willing to do with only a certain amount of information given
- Providing them TOO early will give yourself a ceiling
- The way you introduce them is also important

Scenario

There's a close second candidate (FF's story)*



When time is not of the essence

- If you are a manager's top choice, but they express that there is someone second who is willing to accept, can you still negotiate?
- Yes, but not as long or as hard
- Need to give them an offer you will accept, which is usually 5-10% higher than your current offer - does not allow for back and forth
 - Unless you have a strong counter offer to provide right away, and this is your top choice, need to do an “ask and sign”

Scenario

This role is a generalist position / a manager has not been assigned (SS's story)*

When NOT to negotiate (or at best, tread lightly)

- When the manager wants nothing to do with negotiations (ie no buy-in)
 - Social capital is limited, increases are minimal at best
- When you do not have a manager, and can only negotiate with HR
 - Team equity is at the forefront with a “set band” and there is no one advocating for you on the inside



Offer Rescinds Rarely Occur

Yes you can lose an offer from negotiating, but the probability from our negotiations is <2% of the time.

It is precisely this irrational fear that prevents candidates from effectively negotiating in the first place.

Accept/Decline Stage

Q&A

Thanks!

Want to learn more?

- Negotiation Tactics: www.teamrora.com/learn
- Provide 2 minutes of feedback:
<https://bit.ly/RoraWebinarFeedback>

Case study - return offers



At Rora, we saw how the same PhD new grads with Meta Intern Conversion offers were much more difficult to negotiate than Meta Non-Intern Full Time offers. Why?



The offer accept rate for Intern Conversion Offers is >90%

The offer accept rate for Full Time Offers is ~50%

They have the data to support them taking a bet that you'd accept rather than walk away or spend time/energy/resources to continue interviewing



Candidates get paid more when Meta has less data on their value, than candidates that Meta has more data on.

Why? Because full time candidates accept less often than interns do.