

The interview question you cannot flub: “What are your salary expectations?”

Answering the salary question poorly may eliminate you from consideration. Salary is a touchy subject and somewhat of a balancing act. If you answer too high it may create sticker shock and be a turn-off, or you could be viewed as a top notch candidate who must be deserving of the high price. On the other hand if you answer on the low side, the employer could consider you cheap with fewer qualifications, or they may view you as an attractive candidate because of the attractive price. It all depends. Here are some tactics and suggestions:



Turn-the-question-around avoidance tactic

Asking for your salary level is a fair question and a standard part of information gathering. Conversely, asking what the range is that's being offered is also fair, but sometimes withheld because it may spoil future negotiations. You could respond by saying something like:

“I’m flexible and especially interested in your company and this position. What is the range being offered?”

You will usually get a factual response that the position will pay in the \$X to \$Y range depending on qualifications. But be prepared for a response such as:

“The range is open and we usually offer what’s necessary to hire the right person. But first I need to know if we are on the right page. What are your expectations?”

Again, avoid boxing yourself in but if pressed give a wide range and state that you are flexible and feel as though you could come to mutual understanding when the time comes.



Market value tactic

CCP's (Certified Compensation Professionals) are experts at designing compensation programs and recommending pay levels. They do a lot of specific research taking into account all of the factors about the company and market. Salary calculators are available that can give some general information that may help to understand the market for your particular position such as:

1. <http://www.payscale.com>
2. <http://www.jobsearchintelligence.com>
3. <http://salaryexpert.com>

If you ask a CCP (and we have) what they think of these calculators you will get responses such as, “Good for ballpark numbers but can be way off”, “Misleading and irrelevant”, and “Unreliable”. Indeed, with a little bit of testing we got wildly different results with all three. Also, salary calculators do not take into account benefits or incentives. So in addition to salary calculator information talk with industry insiders and career professionals and research this specific situation and find out where the market is. Your response could be:

“I’ve done some homework and have a general market range in mind for this position but I understand that you may have other internal factors to consider. What can you tell me about the compensation you are offering for this position?”



"Money isn't that important" tactic

Non-monetary job satisfaction includes things like:

- Ability to work independently with minimal supervision
- Relationships with coworkers and managers
- Growth potential, change and new challenges
- Work environment and company success

Money may contribute to the quality of life but is only one factor and usually not on top. One response to the question of salary might be:

"What's more important to me is the company and job itself and I believe if that's a fit, the rewards will follow. Money is lower on my list and I'm sure we can reach some agreeable level."



Pay-for-performance tactic

Companies have been moving towards having more compensation "at risk" or incentive-based for a long time. This applies to many professions and is not just for people at executive levels. Incentives align the goals of the employee with the company and tend to reward high performers. Examples include:

- Merit pay and bonuses
- Profit sharing or Gain Sharing
- Stock options or ESOPs
- Commissions
- Reward based gifts and perks

Employers love to hear from candidates that they want to have their compensation partially based on performance. And, consider how wealthy initial employees of Microsoft became with stock options. One response may be,

"I'm eager to prove myself so having a lesser base salary with incentives and the opportunity to grow and learn would be great at this time in my career. What is the compensation structure for this position?"

This is usually mutually beneficial and makes sense – help the company succeed and you succeed with it.



Tipping your hand

If employed, revealing your current salary level may hurt your chances for consideration or limit future negotiation room. If you are paid over the company's comfort level, or over the range of other candidates you will probably be eliminated from consideration. HR will certainly factor in your current salary when making an offer, so if you feel you are underpaid and want more avoid giving your current salary.

In some cases you may be required to supply W-2s from the past year, in which case you have no choice but to tip your hand. You may want to temper this with a statement like:

"This W-2 is not a reflection of my value at the current time because I believe I am underpaid which is part of my motivation for seeking a new position."



Tactics that can backfire

Delay - If you do not respond to the question when repeatedly asked, you may be viewed as playing games. The employer may make the assumption that you are too overpriced and they are wasting their time.

Depends on the responsibilities – Would you work less if paid less? This may give the impression that you would not be willing to give 100% at the pay level they are offering.

Lowball – If an early salary number or range is given that grows once the interviews progress it will certainly cause mistrust.

Show me the money – If you have other offers and you play them off of one another it may backfire unless you're a very high value, high demand candidate.

We hope you get a great offer! You may want to read, [Negotiating an Offer](#)