

The U.S. Department of Labor just launched the **Equal Pay App Challenge** on [Challenge.gov](https://www.challenge.gov/). The contest calls on developers to use publicly available data and resources to create innovative, easy-to-use apps that educate users about the pay gap and provide tools to combat it. The apps should improve the accessibility of pay data broken down by gender, race and ethnicity, and provide coaching on early career pay, pay negotiation or career mentorship

The information provided below will:

- Provide developers with salary negotiation tips they can use in their app
- Provide developers with a formula they can use in their app to calculate the lifetime benefits of negotiation
- Provide further resources for users wanting to learn more about negotiation

10 Steps to Negotiating a Higher Salary

1. **Make the first move.** You may know that you're underpaid compared to your co-workers, but you still need to make the first move. If you wait for a sense of fairness to motivate your boss to pay you more, you may wait a long time. Take charge of making sure you're paid fairly and initiate the negotiation. Men are about four times more likely than women to negotiate, which helps ensure that they usually earn more money. So level the playing field and ask for what you want.
2. **Boost your bargaining power.** Your leverage in a negotiation comes from how valuable you are to your organization and how difficult it would be to replace you. Take steps to make yourself as valuable as possible and to make this value visible to your boss. Maybe you need another credential or more training. Maybe you need sales experience or field experience or management experience. Maybe you need to work with a particular person or a particular group. Maybe you need to volunteer for a different kind of project to show what you can do. Think about ways both to increase your value to your organization and to show it off. You can also increase your power by getting a credible offer from another organization.

3. **Do your homework.** When it comes to negotiating, information is power, so invest the time in doing some research. Use the numerous salary resources on the web to identify what people in jobs like yours earn. [Developers can add links to salary web sites.] Ask people in your personal and professional networks questions like: “What do you think would be an appropriate salary for someone doing my job?” (This avoids directly asking people what they earn.)
4. **Get inside their heads.** Find out as much as you can about the people with whom you will be negotiating and how they see the situation. What are their goals, concerns, and constraints? How are they likely to react to your request? Are there any established precedents that might prevent them from giving you what you want? Answers to these questions will help you choose the right approach and anticipate obstacles in your way.
5. **Aim high.** Negotiators who set higher targets do better and women typically set unnecessarily low targets—and get less as a result. Use your research to set an ambitious but realistic target. Don’t undersell yourself or ask for only as much as you need to get by.
6. **Ask for more than you want.** Negotiation typically involves a back-and forth discussion. Leave yourself enough wiggle room between what you ask for and what you want so that you can make some concessions and still achieve your target. This can sometimes be the hardest step for women but it will save you from walking away with too little.
7. **Pay attention to how you ask.** People often push back when a woman takes an approach that seems too aggressive. Women are much more successful at getting what they want when they adopt a cooperative, problem-solving, positive manner rather than a competitive, winner-take-all, this-is-war attitude. Frame the interaction as a discussion rather than a demand.
8. **Time it right.** Some times of the year are better than others to ask for a raise. Find out when your boss makes decisions regarding raises and make sure that you make your move before those decisions are set in stone. Choose a time when your boss isn’t distracted or embroiled in a crisis or rushing to meet a deadline.
9. **Practice, practice, practice.** Many women feel anxious about negotiating; rehearsing ahead of time can help calm your nerves. You can experiment with strategies, run

through talking about the issues, and explore different ways of saying what you mean. Find a friend or colleague you trust, brief him or her thoroughly about the situation, and role-play the negotiation multiple times.

10. **Get yourself psyched up.** Positive moods are contagious and stimulate greater cooperation and creativity. If you enter your negotiation feeling great, your upbeat mood can help prime a positive problem-solving atmosphere. Choose what works for you: exercise, listening to music, getting a good night's sleep, meditating, talking with friends, wearing a new outfit. Think about what makes you feel calm and confident and try to do that just before you negotiate.

Resources

Books to help women negotiate more effectively:

Women don't ask: The High Cost of Avoiding Negotiation—and Positive Strategies for Change, by Linda Babcock and Sara Laschever.

Ask for it: How women can use the power of negotiation to get what they really want, by Linda Babcock and Sara Laschever.

Websites with more information about women and negotiation

www.heinz.cmu.edu/progress

www.womendontask.com

saralaschever.com

The long-term benefits to negotiation

When you successfully negotiate for a raise in salary, you not only increase your salary in the short-term, you also dramatically expand your life-time earnings. Every future raise you get will be larger because each raise will be calculated against a larger base salary (4% of a larger salary equals a higher total dollar amount than 4% of a smaller salary, for example, and this compounds with each raise). Here's a way to calculate how much total extra income you can earn from a single negotiation. [Have the developers ask the user for the variables below and use the following formula to calculate the long term benefit of the negotiation.]

b-a

$$\sum_{i=0}^{b-a} (x) * [(1+z)]^i$$

where x = dollar increase from negotiation
 z = typical percent yearly raise, for example .04
 b = age of retirement
 a = age when negotiate

For example, suppose you negotiate and get your salary increased by \$3,000 at age 35. In every year after that suppose that your typical yearly raise in your workplace is 4% and you retire at the end of your 65th year. The extra amount of money you'd make because you negotiated is:

$$30$$
$$= \sum_{i=0}^{30} (3000) * [(1+.04)]^i$$
$$i = 0$$
$$= 3000 + 3000(1.04) + 3000(1.04)^2 + \dots + 3000(1.04)^{30} = \$177,985$$

This example illustrates that the benefits to even a single negotiation grow significantly over time. If you're thinking about retirement and invest the extra you earn each year from your negotiation in a retirement account earning 3% interest annually, that one negotiation would add \$261,916 to your retirement nest egg.