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# Real Life Memo

I run the Baker Desk system for Baker House at MIT. It was built by a student 4 years ago, who has since graduated. I got involved in maintaining it two years ago. When I got that job, I just accepted the rate that was given to me, $10/hour. Recently, the person who runs Baker House, told me about another MIT department, the Tours office, which also had a system built by the same person and needed help. I decided to pay them a visit on September 30th.

We reviewed the system and everything was going well. Then the person in charge of the Tours office asked me how much I was being paid by Baker House for the same work. I was not very prepared for the question, since I did not think that we would move along in the process so fast. However, I had just attended the 15.665 salary talk by Zahir Ladhani on September 29th. So instead of answering, I stammered that this was not relevant. I said that for this kind of work, people generally pay between $15 and $20 at MIT, so we could go $17. He immediately agreed to $17/hour.

On one hand, I was making 70% more for the same exact work as I was at Baker. On the other hand, he agreed to the number immediately which brought feelings of Winner’s Curse. I probably should have quoted a higher number when he asked what other people pay. I was thinking of the salaries at MIT, which generally start at $9.75 an hour for UROP. TA-ing generally pays $15/hour. My other tech job fixing computers at MIT starts at $14.50 an hour. However, I’ve seen some university student hourly jobs that pay far higher. My friend, who now goes to Wharton, can pay $50/hour for programmers. If I tried, I could probably get a job like that. However, while at MIT, I want to concentrate on school work – which is why I don’t want too demanding of a job. I actually have not worked any hours for this job yet! (It’s been 2 weeks)

Looking back, I could probably have gotten more. He had no BATNA, he needed someone to fix up the system to make his life producing reports easier. He probably had not done any research on what the going rate is. I probably could have said $30, or perhaps even $50. That is why he let me go first – you don’t want to go first if you don’t know the ZOPA.

So what have I learned from this? I should go in with a strategy. Since then I have been thinking about how I will negotiate for an internship or full time job. I think the salary for the full time job is most important. If I intern where I will eventually work, it is far more important to get a few thousand extra on my full time salary than on my internship salary. I should also be prepared for when an offer is given to be able to respond better. I’ve found I always mess things up on the first time, but then I think about it, and am much better the second time around.