The Salary Negotiation Playbook for Senior Executives

Boss Playbook — For Senior Executives

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A Boss Playbook Guide

For GMs, VPs, and senior operators who negotiate deals for a living — and then forget everything they know when the deal is their own comp.

Introduction: Why Most Exec Negotiations Leave $40K–$200K on the Table

Here's the uncomfortable pattern I've watched play out for thirty years, from both sides of the table.

An executive who negotiates $50M vendor contracts without blinking gets an offer letter for their own role and accepts it within 48 hours. Sometimes with a token counter on base salary — the one lever the company expected them to pull and priced in before the letter went out.

Meanwhile, the person who hired them budgeted 10–15% above what's in that letter. On a $350K base, that's $35K–$52K in base alone. Add the equity refresh that was available but never requested, the sign-on bonus that existed to offset "unvested equity you're walking away from" (which nobody asked about), and the accelerated review cycle that costs the company nothing to grant — and the real gap between what was offered and what was available routinely lands between $40K and $200K in first-year value. Compounded over a four-year vesting cycle, it's more.

Why does this happen to smart people? Three reasons, and none of them are about negotiation skill.

Reason one: information asymmetry. The company has a comp band, a comparison set of what they pay everyone else at your level, market data from Radford or Mercer, and a compensation committee. You have... what a recruiter told you and a vague sense of what your last company paid. You're negotiating against a party that knows exactly where the ceiling is while you're guessing at the floor.

Reason two: identity confusion. Senior people tell themselves that negotiating hard signals they're "not a team player" or that they're "in it for the wrong reasons." This is a story companies benefit from and quietly encourage. Nobody in the room where offers get approved has ever said, "Wow, she pushed back on comp — rescind it." What they actually say is, "Fine, give her the top of band." Then everyone moves on. The person who negotiated is not remembered as difficult. They're remembered as someone who knows their value — which, incidentally, is the exact quality they were hired for.

Reason three: single-lever thinking. Most executives negotiate base salary and stop. Base is the most visible lever and often the least flexible one. Equity, sign-on, bonus targets, severance terms, and review timing are frequently *more* negotiable because they don't create internal equity problems for the company. When you negotiate only base, you're arm-wrestling on the one number HR has the least room to move — while five other numbers sit on the table untouched.

This playbook fixes all three. You'll learn how to build your number from real data before the first conversation. You'll learn the five levers (plus the ones nobody puts in the offer letter). You'll get the actual scripts — word for word — for the three conversations that matter: countering a new offer, leveraging a competing offer, and negotiating a raise in your current role. And you'll learn when the right move is to walk, and how to do it so the door stays open.

One framing before we start: **negotiation at the executive level is not haggling. It's a demonstration of judgment.** The way you handle your own comp conversation is the first data point your new employer gets about how you'll handle theirs. Handle it with preparation, directness, and zero drama, and you've already started doing the job.

Let's build your number.

Chapter 1: Know Your Number Before You Walk In — How to Read Comp Data Like a CFO

Amateurs walk into a negotiation with a feeling. Professionals walk in with a range, a midpoint, and a walk-away — built from data, not vibes.

Here's how a CFO reads comp data, and how you should too.

Step 1: Establish the market band, not the market number.

There is no single "market rate" for a Director of Engineering or a GM. There's a distribution. Your job is to find the 25th, 50th, and 75th percentiles for your title, in your metro, at your company's stage and size. Pull from at least three sources — a dedicated comp tool, levels-style crowdsourced data, and recruiter intelligence — because each source has its own bias. Crowdsourced data skews toward big tech and overreports equity-rich packages. Survey data (Radford, Mercer) skews conservative because it's what companies use to justify bands. Recruiters know what offers are actually closing this quarter, which is the most current signal but the smallest sample.

Where the three sources agree, you have a real band. Where they diverge, the truth is usually between the survey data and the recruiter number.

Step 2: Adjust for the three multipliers.

Raw title data lies. Adjust it for:

- **Company stage.** A Director at a 200-person Series C carries a VP-sized scope at a big company. Comp data by title alone will underprice you by a level. Compare scope, not title: headcount, budget, and whether you own a P&L or a cost center.
- **Scarcity of your specific profile.** If the role requires a combination the market rarely produces — say, infrastructure engineering leadership plus hardware supply chain experience — you're not priced against the median Director. You're priced against the five other people who could do this job.
- **Their urgency.** A role that's been open for five months has a budget that has already been revisited. Ask the recruiter, casually, how long the search has been running. It's public information and nobody thinks twice about the question — but it tells you whether you're negotiating against a fresh band or a stretched one.

Step 3: Convert everything to total annual value.

CFOs don't compare base salaries. They compare fully loaded cost. Do the same: base + target bonus (haircut it — more on this in Lead Magnet C) + annualized equity at current value + sign-on amortized over the period it buys. That's the number you negotiate.

Worked Example: Alex, Director of Engineering, Seattle

Alex has 12 years of experience, currently runs a 60-engineer org, and just received an offer: **$310K base, 25% target bonus, $600K RSUs vesting over 4 years, no sign-on.**

Alex's first instinct is that $310K "sounds strong." Here's what the data actually says.

Market band (Director of Eng, Seattle, mid-to-large tech): Base runs roughly $265K at the 25th percentile, $305K at median, $350K at the 75th. Alex's scope — 60 engineers, three product lines — is a top-third scope for the title. So the *relevant* band for Alex is $305K–$350K. The offer is at the bottom of Alex's real band, not the top of the general one.

Total value math:

Component	Offer	Annualized
Base	$310K	$310,000
Bonus (25% target, assume ~85% historical payout)	$77.5K target	~$66,000
RSUs ($600K / 4 years)	—	$150,000
Sign-on	$0	$0
Total		**~$526,000**

Alex's current package: $285K base, 20% bonus, and — the part that matters — $340K in unvested RSUs that will be forfeited by leaving. That's real money Alex is walking away from, and it's the strongest, least confrontational sign-on argument that exists: *"I'm leaving $340K unvested on the table. I need the sign-on to bridge part of that."* Companies expect this ask. They budget for it. Alex just has to make it.

Alex's numbers going in: Ask: $340K base, $800K equity, $75K sign-on. Target: $330K / $700K / $50K. Walk-away: anything below $320K base with no sign-on — because at that point Alex is taking on new-job risk for roughly a lateral move.

Alex isn't guessing anymore. Alex has a position. That's the whole game.

Chapter 2: The Five Levers — Base, Bonus, Equity, Benefits, and the Ones Nobody Mentions

Every exec offer is a machine with five visible levers and a hidden panel. Pull them in the right order.

Lever 1: Base. The most visible, the most emotionally loaded, and usually the most constrained. Base creates internal equity problems — if they pay you $30K over the band, they've created a precedent problem with every peer at your level. Push on base, but understand its limits: 5–10% movement is normal, 15% is a stretch, and past that they'll move you to other levers. That's fine. That's what the other levers are for. One note: base is the lever with the longest tail — bonuses, refreshes, severance, and your *next* job's offer all key off it. A $15K base win is worth more than a $15K sign-on. Fight for base first, but know when you've hit the wall.

Lever 2: Bonus. Two components: target percentage and the mechanics behind it. The target percentage is usually fixed by level — a company that pays Directors 25% will not make you the 35% exception. But the mechanics are negotiable and nobody asks. First-year guarantee: "I'm joining mid-year and can't influence the full-year plan — I'd like year one guaranteed at target." Companies grant this constantly. Also ask what the actual payout percentage has been for the last three years. If "up to 40%" has paid 60% of target twice, you now have a factual, non-confrontational reason to ask for more elsewhere: "Given historical payout, I'm valuing the bonus at $X, which changes my total comp math."

Lever 3: Equity. The lever with the most room, because equity doesn't hit this year's budget and doesn't create the same internal comparison pressure. When base stalls, pivot here: "I hear you on base. Let's talk about the equity grant instead." Ask for the refresh policy in writing — a great initial grant with no refreshes is a package that decays 25% per year as tranches vest. Ask about vesting schedule (annual cliffs vs. quarterly), and at private companies, ask the questions in Chapter 4. A 30% bump in the initial grant is a routine ask at the executive level. Companies expect it.

Lever 4: Benefits and structure. Sign-on bonus (the universal bridge for unvested equity, forgone bonus, or relocation friction — always tie it to a concrete forfeiture, never present it as free money). Accelerated review: "Instead of pushing base further, put in writing that I get a comp review at six months." It costs them nothing today and gives you a second bite. PTO floor, executive physical, 401k timing, relocation terms if relevant.

Lever 5: The ones nobody mentions. This is where experienced operators separate from everyone else:

- **Severance terms, negotiated on the way in.** The best time to negotiate your exit is when they want you most. Ask for 6–12 months of salary plus healthcare continuation if terminated without cause. At the exec level this is standard; it's just not offered unless requested.
- **Equity acceleration on change of control.** "Double-trigger acceleration" — if the company is acquired and you're terminated, your unvested equity vests. If you're joining a company that could plausibly be acquired, this clause can be worth more than every other lever combined.
- **Title and reporting line.** Title determines your band at your *next* job. Reporting line determines your access. Both are negotiable and both compound for a decade.

- **Scope in writing.** What you own — headcount, budget, P&L — written into the offer context. Ambiguity here is how "GM" turns into "senior project manager" by month six.
- **Legal indemnification and D&O coverage** if you're signing anything as an officer.

The sequencing rule: open with base, take the win available, then pivot to equity and structure without ceremony. Every "no" on one lever is your license to ask on the next. A company that holds firm on base almost always gives on sign-on or equity — partly on merit, partly because people feel bad saying no twice.

Chapter 3: The Negotiation Conversation — Exact Scripts for Three Scenarios

Theory is worthless in the moment. Here are the actual words. Adapt the details; keep the structure — because the structure is the strategy.

Scenario 1: The Counter-Offer (new job, single offer in hand)

The call comes. The recruiter is excited. The offer is $310K base, 25% bonus, $600K equity.

Recruiter: "We're thrilled to extend the offer — the team was unanimous. What do you think?"

You: "I'm genuinely excited about this — the role and the team are exactly what I was looking for, and I want to get to yes. I've done my homework on the comp side, and there's a gap between this package and where I need to land. Can I walk you through it?"

Recruiter: "Of course."

You: "Three things. First, base: for the scope of this role — sixty engineers, three product lines — the market for my profile in Seattle runs $320 to $350. I'm looking for $340. Second, I'm walking away from $340K in unvested RSUs at my current company, so I need a sign-on of $75K to bridge part of that. Third, on equity — I'd like the grant at $800K, and I'd like to understand the refresh policy in writing. If we can get there, I'm ready to sign this week."

Notice what happened. Enthusiasm first — you're negotiating toward yes, not away from it. Specific numbers with reasons attached — data on base, forfeiture on sign-on. And a close: "I'm ready to sign this week" converts your asks from friction into the path to a done deal. Recruiters are paid on closes. You just made your counter *their* fastest route to one.

Recruiter: "I don't think we can get to $340 on base. There may be room elsewhere."

You: "Understood. If base caps at $320, then let's solve it with the other components — the sign-on at $75K and equity at $800K get me to the same total value. I'm flexible on the mix. I'm not flexible on the total."

That last line is the entire chapter in one sentence. *Flexible on the mix, not on the total.* It makes you easy to work with and impossible to nickel-and-dime in the same breath.

Scenario 2: The Competing Offer

You have two live offers, or one offer and a strong late-stage process. The cardinal rules: never bluff, and never present it as a threat.

You: "I want to be transparent with you, because I'd rather you hear this from me directly. I have another offer, and it's strong — the total package is about $60K a year above where we are. Here's the thing: this role is my first choice. The scope is better and I believe in this team more. I'm not asking you to match dollar for dollar. I'm asking you to close enough of the gap that I'm not making a six-figure decision over four years to follow my judgment. Can you get the package to $X?"

Every clause is doing work. "Hear it from me directly" — you're being straight, not gaming them. "This role is my first choice" — you've given them a reason to fight that isn't fear. "Not asking you to match" — you've made the ask smaller than the gap, which makes yes easy. And a single specific number closes it.

If they say "we need to know by Friday" while the other process is slower: "I understand you have a timeline. I want to make this decision well, and I'm not going to make it under artificial pressure — that's not how I'd want anyone on my team making decisions either. I can commit to an answer by [date]. If that doesn't work, tell me now." Deadlines at the exec level are almost always softer than presented. The candidates who calmly say so are the ones who get the extensions.

Scenario 3: The In-Role Raise

Hardest of the three, because there's no forcing event. So you create one — with data and a direct manager conversation, booked as its own meeting, never bolted onto a 1:1.

You: "I want to talk about my compensation, and I want to do it directly rather than letting it turn into a thing. Over the last eighteen months, my scope has grown from one product line to three and my org from 25 to 60. My comp hasn't moved with it. Market for my current scope is $330 to $350 — I'm at $285. I'm not here with an ultimatum and I'm not shopping offers. I'm here because I'd rather fix this with you than be fixable by a recruiter six months from now. What I'm asking for is a plan: what does it take to get me to $330, and on what timeline?"

Three structural choices matter here. **Scope, not effort** — "my org doubled" is an argument; "I've been working really hard" is not. **Naming what you're *not* doing** — "no ultimatum, not shopping offers" — which paradoxically makes the recruiter scenario vivid without you ever threatening it. And **asking for a plan, not a miracle** — managers can't conjure $45K by Friday, but they can absolutely champion a two-step correction over two cycles. Give them something they can say yes to, then get the plan in writing (a follow-up email you send: "Confirming what we discussed...") and hold the timeline.

If the plan doesn't materialize on schedule, you've learned something more valuable than the raise. Proceed accordingly — Chapter 5 covers how.

Chapter 4: Equity Deep Dive — RSUs vs. Options vs. Phantom Equity, and How to Evaluate Each

Equity is where the biggest exec comp mistakes happen, because people compare grant sizes without comparing instruments. A $600K RSU grant and a $600K option grant are not the same asset. Sometimes they're not even the same order of magnitude.

RSUs (Restricted Stock Units). Shares delivered on a vesting schedule. At a public company, an RSU is nearly cash on a delay: worth whatever the stock is worth when it vests, taxed as ordinary income at vest. Evaluate public RSUs at face value with a haircut for stock volatility, and understand the vesting mechanics — quarterly vesting is meaningfully better than annual cliffs because it de-risks your ability to leave. At a private company, RSUs are trickier: you may owe nothing until a liquidity event (good) but you also can't sell (bad), and "double-trigger" RSUs don't fully vest until both time passes *and* a liquidity event occurs. Ask which structure you're getting. It changes the value dramatically.

Options. The right to buy shares at a fixed strike price. Options are leverage: worth nothing until the share price clears your strike, then worth the *spread* on every share. A 50K-share option grant at a $5 strike is worth zero if the company exits at $5/share, $250K at $10, and $2.25M at $50. Compare that to 50K RSUs: worth $250K at $5, $500K at $10, $2.5M at $50. RSUs always have value; options only have value in the win scenarios — but options are typically granted in larger quantities to compensate. The evaluation questions for any private-company option grant, and you should ask all of them in writing:

- What was the most recent 409A valuation, and when?
- What's the current preferred price (what investors paid), and total liquidation preference?
- Fully diluted share count — so you can compute your actual ownership percentage rather than admiring a big share number?
- Post-termination exercise window — 90 days (which can force a six-figure exercise decision the week you leave) or an extended window?

A company that won't answer these is telling you how they'll treat you as a shareholder. Believe them.

Liquidation preferences deserve their own paragraph, because this is where exec equity quietly dies. If investors put in $200M with a 1× preference and the company sells for $250M, the first $200M goes to them. Common shareholders — you — split $50M. Your "$2M worth of equity" at the last valuation can pay out $200K in a real exit that the press release calls a success. Before you value any private grant, ask what the total preference stack is. The answer reframes everything.

Phantom equity / SARs / profit interests. Common at PE-backed companies, family businesses, and firms that don't want to dilute ownership. You hold no shares — you hold a contractual right to a cash payout tied to company value at a defined event. Phantom equity can be excellent (cash, no exercise cost, no 409A drama) or nearly worthless, and the difference is entirely in the document: What exactly triggers payout? What happens if you leave before the event — do you keep vested value or forfeit everything? Who calculates "company value," using what formula, and can they change it? Phantom plans are contracts, not securities, which means the company wrote every rule. Have an attorney read it. This is a $1,500 review on an asset that might be worth $1.5M — the best expected-value spend in your career.

The comparison discipline: never compare grants by headline number. Build a simple three-scenario model — downside (flat or down exit), base case (modest growth), upside (the pitch-deck outcome) — and value each instrument in each scenario after preferences and dilution. Ten minutes in a spreadsheet. It has changed more exec decisions than any recruiter pitch ever written.

Chapter 5: When to Walk Away — And How to Do It Without Burning the Bridge

Every negotiation you enter without the genuine ability to walk away isn't a negotiation. It's a request. So before any of the scripts in Chapter 3, you need a walk-away number — set in advance, in cold blood, not in the heat of the conversation. In the moment, sunk costs and excitement will talk you into anything.

Walk when:

- **The number is below your floor and they've stopped moving.** Not below your ask — below the floor you set with data before the process started. If you set it honestly, trust it now.
- **The negotiation itself reveals the culture.** Exploding 48-hour deadlines on exec offers, retrading terms already agreed, a recruiter who gets cold when you ask standard equity questions. How a company negotiates is how it manages. You are seeing the honest version of them right now — the version *before* they have leverage over you.
- **The comp gap is a proxy for a scope gap.** If they're pricing the role 20% below your market, they're often not underpaying for the job you want — they're correctly paying for a smaller job than the one you heard in the interviews. Titles are negotiable; budgets tell the truth.
- **You're only staying in it to win.** Executives are competitive. Half of a late-stage process's pull is simply the desire to get the offer. Ask yourself the sober question: if this were the only offer, at their best number, would I take it? If no, stop spending everyone's time.

How to walk without burning anything:

Fast, warm, and specific. The moment you know, you tell them — dragging it out is the only genuinely rude move.

> *"I want to be straightforward with you: I'm going to pass. This isn't a negotiating tactic and there's no number that changes it — we're too far apart on [comp / scope], and I'd rather tell you cleanly than go quiet. I was genuinely impressed by [specific true thing — the team, the roadmap, the person]. If [that thing] evolves, I hope you'll call me first."*

That's it. No lecture about their comp bands, no feedback memo, no LinkedIn essay. Executives who walk away gracefully get *re-recruited* — I've watched it happen dozens of times, often at a level up and a band higher, twelve to twenty-four months later. The role you decline well is frequently the seed of the role you accept later.

One last thing, because it's the quiet engine under this entire playbook: **the ability to walk away is built long before the negotiation.** It comes from a cash cushion that buys you patience, a network that generates options, and an honest read of your market value — updated annually, not the week a recruiter calls. Executives who maintain those three things negotiate differently. Not more aggressively. More *calmly*. And calm, at this level, is the tell of someone who doesn't need the deal.

That's who gets the best deals.

Appendix: Quick-Reference Salary Tool

Before any comp conversation — new offer, competing offer, or in-role raise — pull the current numbers for your title and city:

→ [Boss Playbook Salary Intelligence](https://salary-site-49i.pages.dev) — executive compensation data by title and metro. Build your band, set your floor, and walk in with a position instead of a feeling.

Boss Playbook is written for GMs, VPs, and senior tech executives by an operator with 30 years in the room. New issues weekly.