



## KNOW YOUR VALUE/ DO YOUR HOMEWORK

- Evaluate realistic personal salary requirements. How much do you need to earn?
  - Find out what your skills and level of experience are worth in the job market (i.e. internships, co-ops, volunteer and part-time work, education level, etc.). Speak to a career counselor at Career Development Services (CDS) regarding your experience level and estimated market averages based on experience.
  - Research career fields and salary averages for various occupations. Review CDS library and web resources such as the Occupational Outlook Handbook and NACE salary survey.
  - Investigate cost of living adjustments to salary based on employment location. These websites will provide you with cost of living comparisons and salary offers and comparisons: [www.salary.com](http://www.salary.com), [www.homefair.com](http://www.homefair.com), [www.usacitylink.com](http://www.usacitylink.com), [www.bankrate.com/brm/movecalc.asp](http://www.bankrate.com/brm/movecalc.asp)
  - Develop a salary range (not too broad) with a high, low and middle range.
  - Examine the company's hiring history to learn what has been paid/advertised for this position and the skill/experience level required for the position. This area is a little more challenging to research. You may be able to conduct informational interviews or if you know someone at the company speak to them. Many companies' websites list their job postings and may list salary ranges and job descriptions.
- Occasionally there will be circumstances where salary requirements will be discussed prior to an offer. Handle each situation with confidence. While these are not negotiations, they can influence how later ones may go. Here are examples of situations where salaries may be discussed and suggestions on how to handle them:
    1. When responding to an ad/application, indicate "open" or "negotiable" under salary requirements. Under salary history, indicate "competitive" unless it asks for a specific amount. If asked for specific salary dollars list total compensation package (base salary, bonuses, medical, profit sharing, etc.). Be truthful as most companies verify past salaries with previous employers.
    2. At networking events, discuss what your interests are (not specifics, general positions) and get their opinions on salary ranges for those positions.
    3. When dealing with recruiters and employment agencies, be honest about your expectations and salary history.
  - Try not to negotiate over the phone. If the subject is brought up on the phone, ask to meet in person to discuss if possible.

## KNOW WHEN TO NEGOTIATE

- Ideally, the best time is after an offer is made by the employer. Discussing salary before an offer is made may screen you out of the job if your requirements are too high or it may lock you into a low salary.
- When asked what your salary requirements are by a potential employer during an interview, indicate a range, not a dollar amount. (i.e. "Based on the industry average and my level of experience, I am seeking between \$33k and \$37k"). This range should be slightly higher than the low end of your range. *Once the offer is made then consider negotiation.*

## LET THE EMPLOYER MAKE AN OFFER FIRST

Maintain an honest yet non-emotional response. This response should be based on your research. First, restate the offer, then "digest" it. Your body language should demonstrate thought, not emotion. If it is less than you expect, you can indicate that it is lower than you expected based on your research.

Be prepared to verify how and where you researched! Then counter their offer with your researched response and desired range. Remain objective, positive and courteous during this conversation. They will respond with what they are able or not able to offer. Sometimes this may involve speaking to another person in the company and getting back to you. Know that employers will not usually rescind an original offer as a result of your counter offer. In rare instances, however, employers may be forced to rescind based on current corporate circumstances such as downsizing, mergers, acquisitions etc. The employer

should return with a response which, hopefully, meets your needs; otherwise they will discuss why they are unwilling to negotiate and state that the offer stands.

### **SALARY IS NOT THE ONLY AREA TO NEGOTIATE**

When the employer responds with a “no” to the above scenario or in certain jobs/industry when salary is non-negotiable from the start, know that you have other options to negotiate. These include: bonuses, salary reviews (consider timing, basis and percentage) health, dental, life and disability insurance, pension plans or retirement, overtime policies, profit sharing plans, sick days and vacation, tuition reimbursement, employee discount, company car/expense accounts, termination contract, stock options, relocation/moving expenses, professional memberships, certifications and sign on bonuses. Of course, the position and the company will dictate what is offered and what you can negotiate. Human resources can often communicate the available benefits and options, then you can come up with some suggestions to make your offer more appealing. For example, you may negotiate the timing of your first salary increase. Instead of receiving your first increase at one year, you may negotiate to be evaluated in six months and receive the same percentage allowable at that time based on your performance.

### **OVERCOME OBJECTIONS**

You may hear the following objections (O). Here are some responses (R) to overcome these:

**O:** “Not within the budget.”

**R:** Communicate your VALUE to the employer.

**O:** “Others in the organization with similar qualifications and experience aren’t paid that much.”

**R:** Emphasize fair compensation for expected performance based on VALUE.

**O:** “Your salary history does not justify such an increase.”

**R:** Stress that you expect to be compensated for the VALUE of your work and what you expect to achieve within the organization.

### **KNOW WHEN TO SAY WHEN**

If you feel like the employer is getting frustrated with your proposals or states that is all they can do for you, stop and evaluate what is on the table. You do not want to appear greedy or impatient. When the company comes back to you with their final offer, evaluate the offer and make a decision.

### **THE FINAL OFFER**

#### **Take time to evaluate the offer**

One to two days is usually acceptable. Weigh your options and evaluate your total compensation package (salary, benefits, incentives, allowances, etc.). Ensure you are clear on specific duties, responsibilities and performance expectations.

#### **Get the offer in writing**

Once both parties have confirmed an offer verbally, ask for a copy in writing. You should follow up the conversation with a thank you letter outlining your understanding of the terms of the offer, your enthusiasm about starting with the company and your appreciation for their decision to hire you.

### **OTHER NOTES**

#### **Most Jobs are in a set salary range**

It is true that most entry-level candidates do not have much clout in salary negotiations and that some entry-level jobs have fixed, non-negotiable starting salaries, anyway. Yet it is also true that you will not get more unless you ask for more. Your ability to negotiate within that range depends on your qualifications together with the salary information you have learned from doing your homework. There is no substitute for knowing the facts and using them for your benefit.

**Understand your own bargaining power. Assess your worth, analyze the competition, identify your special skills and take a hard look at what you bring to the relationship.**

### **DIFFICULT CONVERSATIONS WITH EMPLOYERS**

#### **Typical questions employers ask**

- Have you thought about salary?
- What salary are you expecting?
- What is the minimum salary you would accept?

#### **Best approach**

If possible, answer the question with a question.

- “What is the salary range for this position?”
- “Most of my peers who are also graduating in xyz major have been receiving offers in the ### K range. What range is authorized for this position?”
- “My current salary is \$###. What are your guidelines?”

#### **Other Suggestions**

If the employer tells you, “We’re going to pay somewhere in the range of \$22,000 to \$24,000 for this job,” you say, “Considering the demands of the position, and the hard work I’m going to put into this job to make sure it’s done right, I believe my salary

should be in the area of \$24,000 to \$26,000." You've set up a bargaining situation in which it's logical to strike a deal at \$24,000 or \$25,000. *(Use this response cautiously. You may find the tension level created by using this to be uncomfortable.)*

If living costs are a concern, you might try saying, "As you know, it's expensive to live in this city. I've planned very carefully and I don't think I could afford to live here on \$22,000 a year. Do you think a consideration could be made?" Chances are, however, that cost-of-living has already been factored into your salary offer. If you have other offers, you can use them to strengthen your case.

**Consider the type of industry with which you're dealing**

Salaries are more negotiable in the private sector than at universities or government agencies. Small companies tend to be more flexible about titles and responsibilities than large ones. And industries with labor shortages are more accommodating than those with many applicants.

**Plan what you are going to say and how you will communicate it**

Identify the major points you want to make. Summarize the requirements of the job and match your skills and abilities to them. Anticipate how you will deal with any response from the employer. Many times, no matter how unusual his or her response (anger, quietness, etc.), the interviewer is checking your reactions and tenacity. Develop convincing arguments to possible objections. Your task is to convince him or her that what you bring to the relationship is valuable and should be reimbursed.

**Practice ahead of time**

Rehearse (with someone or recording yourself) what you will say and how you will handle any questions. Approach the process of negotiation with a cooperative, friendly, but persistent attitude.

You must also consider how long you are willing to hold out for a specific job. Remember, a higher salary will not necessarily make up for the salary lost as you continue to job hunt. Also, if the company reviews salaries frequently, the starting salary is less significant.

Saying that another employer is willing to pay you more for your services backs up any claims you make about a fair salary offer.

**INFORMATION TO HELP YOU CALCULATE TAKE HOME PAY-BASED ON GROSS INCOME**

Salary	\$ _____	+
Sign-on bonus	\$ _____	+
Relocation bonus	\$ _____	+
Performance bonus estimate	\$ _____	+
Year-end bonus estimate	\$ _____	=
	\$ _____	-
35% (tax/social security)	\$ _____	-
Premiums for medical/ dental/optical insurance	\$ _____	-
Deductibles for doctor's visits	\$ _____	-
Annual amount deducted for pension plan/life insurance	\$ _____	=
<b>**Net figure</b>	\$ _____	

\*\*Amount available to live on; including rent, car payments, student loans, utilities, telephone, food, entertainment, dry cleaning, laundry, clothing and shoe purchases, travel home, furniture purchases, kitchen utensils, etc.

Also, review cost of living comparison charts to assess costs in the location you are considering.

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