

Salary Negotiation

Salary negotiation is unfamiliar territory for college seniors and recent graduates looking for jobs. However, it is a key part of the hiring process: once you receive a job offer, you want to ensure that you receive fair compensation and maintain a professional demeanor.

Now You Have an Offer... Now What?

You've worked so hard to get a job, and now that you have a job offer, there are a few things you should know to start out.

- Think about what you want to get out of the negotiation before beginning. Are there certain benefits you need or a minimum salary you would be willing to accept?
- Ask any questions you have left: Clear up any concerns you may have about the position.
- Consider what your specific role will be in the office. What tasks will you be doing and who will you be working with? How many projects will you be working on? What are the standard hours?
- A good time to negotiate is during the verbal phase, then once you have made some progress you can then move on to the next step
- Get the offer in writing; solidify the details of the job offer; be sure to confirm salary, benefits, start date, etc.
- Ask for time to think it over: Know when you need to make a decision and let the employer know. As soon as you have made a decision, call the employer – don't leave them hanging!
- Listen to your gut: Does this position align with your overall career goals and values?

Factors Impacting Your Worth to an Employer:

An employer will look at the context of your employment to determine a specific salary range. There are several components that go into what kind of salary they will offer:

- Skills: Having specialized skills that will help you perform the duties of the job well will make you more valuable to the company. These include interpersonal skills as well as computer knowledge and software programs
- Experience: Generally, the more relevant experience you have, you can expect a higher offer. Also consider progression up through part time jobs and internships
- Education: Meeting the minimum required and preferred educational requirements or completing relevant coursework can be a factor
- Job market: In a job market with lots of applicants, offers may be lower because of high demand, in other words, if an employer can't get you to do the job for a certain salary, they can probably find someone who will.
- Geographic location, industry, company size, etc.: In certain parts of the country, the cost of living is relatively high or low, and salary will usually reflect this. If a given industry is particularly popular or growing at a fast rate, salary may be higher since they are trying to attract more workers. Also, generally speaking, a larger company may be able to provide more benefits because of the additional resources on hand.
- Personality of applicant: If an employer sees your personality fitting in and becoming part of the team, the better the offer may be.
- Competitiveness: If you have received other offers, you may be able to leverage these to ask for higher compensation or benefits.

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How Do I Know What a Competitive Job Salary Is?

In order to know your worth, there are a few research tools that you can use

- Usually, the job posting should give a salary amount or range. An employer will refer to this when deciding to make an offer. It's probably best to stick within this range: don't low ball and don't ask for something higher than what they told you they would pay either.
- Research online using salary calculators: use the NACE Salary Calculator (listed on Portfolio web resources), salary.com, Robert Half salary calculator for finance and accounting positions, or glassdoor.com (anonymous employees post their salaries)
- If you are weighing two offers in different cities, it is important to compare the positions, industries, and cost of living using online tools.

When to Bring Up Salary:

Probably the most common question students have concerning negotiation of salary and benefits is "When should I bring it up?"

- It is a good idea not to ask about salary and benefits in your first interview as it will give the employer the wrong impression of your priorities.
- Try to wait for the employer to bring up salary and benefits.
- If an employer asks you to name a salary, explain that you are looking for something that is fair to you *and* the company. An employer may ask you to give a specific number, and this is when your research will come into play. Give a salary range you would be willing to accept if offered the job.

What to Negotiate:

Determining what to negotiate is almost as important as negotiating itself. Most students only consider salary as the key negotiation piece, but there are others to consider.

- The first item you need to negotiate is when you will need to make a final decision concerning your offer. Employers will usually give you a few days to a week, so you need to make a decision soon. A company will have to extend offers to other candidates if you decline
- Then, of course, you will want to evaluate the salary and determine if it is a fair offer.
- Other items you may be able to negotiate include: relocation expenses, medical benefits, stock options, retirement, signing bonus, performance bonuses, future salary increases, and tuition remission (particularly helpful if you are considering pursuing grad school)
- Another option could be to schedule a six/12 month performance review and re-evaluate benefits at that time.
- Consider the entire deal-salary and benefits.

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How to Negotiate:

Negotiating salary and benefits with an employer can be an intimidating process for recent graduates.

- While there is no tried and true negotiation method, there are some things you need to be aware of. You should always maintain your professional demeanor and always be respectful. Having a job offer doesn't mean you can look down on an employer and treat them with any less respect than you did during the previous parts of the hiring process.
- Every job and every company is different, so you should treat every situation as such
- Some phrases or questions you could ask may be:
 - *"What has someone in this position been paid in the past,"*
 - *"I want to be compensated at a fair rate to the company and myself,"*
 - *"I'm really excited about this job, however..."*
 - *"I believe a fair offer would be ** because [list reasons]"*

Summary

Important Things to Remember

- Even in the job offer and negotiation phase of the job hunt, you are not necessarily guaranteed a job. Your actions and attitude should reflect this.
- Important: ideally negotiations are a win-win. If you go into the negotiation thinking of the future supervisor as an adversary, then it could make for a contentious work relationship.
- Evaluate your net worth in this aspect of the process just as you did when you applied for the job. What makes you a great candidate and why should they pay you a certain amount to do the job?
- If they have made you an offer, they are interested in you, so be confident in yourself.
- Utilize tools to research salary information for a given industry, job title, region, and level of experience.
- Practice your negotiating skills out loud with someone beforehand. The Portfolio staff is happy to help!