

# Salary Negotiation

## Sometimes Salary is Negotiable And Sometimes it's NOT...

### Reasons Why You May Not Be Prepared To Negotiate

- 1) You do not know what your skills/experience are worth
- 2) You fail to conduct basic salary research
- 3) You have no plan to effectively negotiate a salary
- 4) You believe what employers tell you about salary
- 5) You say the wrong thing at the wrong time
- 6) You fail to consistently communicate your value in cover letter, resume, and interviews

### Tips on Negotiating Salary

#### **Maintain the Proper Attitude**

Be sure to be enthusiastic, polite and professional. This is not a competition. If you are too pushy or you adopt a "Take it, or leave it" attitude, they may think you're not interested in the position.

#### **Start High and Work Toward A Middle Ground**

Ask for more than you think the employer will pay. This will show them how highly you value your ability. Prepare your reasoning for your salary request by doing research (resources for researching salary available at end of handout).

#### **Continue Selling Yourself**

Make sure to remind the employer of your worth throughout the process. Confidence is extremely important. If you appear nervous while talking salary, it is apparent that you are not completely sure you deserve what you are asking for. Silence is another important weapon in creating this image. When you make a salary request, do not go on and on stating why it is justified, make your request short, with a simple explanation on the validity.

#### **Ask a Fair Price**

Be sure that your requests are reasonable.

#### **Be Willing to Walk Away**

Obviously, the less you want the job the easier it is to negotiate. Desperation loses money.

#### **Arm Yourself with Information**

Not only salary surveys but employer's pay policy will also be useful. For example, does the company use a salary-grade structure or do they have a firm rule on salary negotiations? Do they pay higher or lower salaries than their competitors?

#### **Timing Is Everything**

When the employer has offered you the job, you have more negotiating advantage, because you know the employer feels you can be an asset to the company.

## The Do Nots, Don't Forget Tos and the Blunders

### Do Not:

- ✦ Specify an exact salary figure when asked
- ✦ Under-value your worth
- ✦ Talk salary figures over the phone
- ✦ Fail to assess the employer's needs
- ✦ Lie about your past salary
- ✦ Always believe what an employer says about salary
- ✦ Discuss salary until you have details on the job, usually at the very end
- ✦ Discuss salary until the position has been offered to you
- ✦ Fail to compile support information for your negotiation
- ✦ Appear desperate for any offer

### Don't Forget To:

- ✦ Demonstrate your value
- ✦ Postpone salary talk until you have had time to sell yourself
- ✦ Take some notes during a salary negotiation
- ✦ Research the Industry Standard for the salary of the position you're applying for
- ✦ Ask for a day or two to decide on an offer; if they refuse, this may not be the right company for you
- ✦ Ask for a salary proposal in writing if you accept the position
- ✦ Ask for a performance review after three months

### Blunders:

- ✦ Politeness loses \$  
"The offer is really too low, but if I say anything I may lose the offer."
- ✦ Modesty loses raises  
"A raise would've been nice to go with that promotion, but at least it was nice of them to notice how hard I work and promote me. Who knows, maybe they'll give me a raise when they see how good I will do in this job."
- ✦ Being overly flattered loses \$  
"Really, you want to hire me just like that. I am so happy and flattered that you think I'm the one for the job."

## How to Write A Salary Proposal

### Overview

A salary proposal is presented to an employer either verbally, written, or both when an offer is made that is below what you are willing to accept. You can say "I appreciate the offer, but would like to call one last meeting before I accept, to discuss a few other issues." It can also be presented to a boss or manager when trying to obtain a salary increase.

### What to Include

All salary proposals should be one to two pages. They will all be different and should be prepared creatively depending on your situation. On the other hand, there are a few things you will want to include to ensure a successful marketing piece:

- ✦ Name, address, phone, e-mail and date in a professional heading on the top of the page
- ✦ The duties and responsibilities for the position, and what you have done in the past that makes you capable of successfully carrying out these duties and responsibilities.
- ✦ Your duties described at time of hire, and your salary promised for those duties, along with your actual duties and the salary range you want to be within (salary increase.)
- ✦ A few salary ranges or figures you have researched, that show you are not being paid fairly for this position compared to what other companies are paying for those skills. For example: Choose a listing that might have similar duties to your position and include the salary. Then show what you are doing beyond that point or what additional duties you would be doing in the position. Logically, the more duties and competencies, the more money. The position should at least pay higher than the listing.
- ✦ Other skills, education, certificates, experience or specialized knowledge you have.

## Calculating A Salary Range

### Look at Resources

- ✦ Books
- ✦ Internet
- ✦ Talk to friends
- ✦ Talk to someone in the field
- ✦ Conduct an informal survey
- ✦ Contact professional associations

When stating a salary range, use the top of the market value range or the range the employer states. For example, if the range is from \$40,000-53,000 extend the range approximately \$5,000 above. This keeps you within their price range but shows you are interested in somewhat more compensation.

If the employer is offering you \$42,000 and you want \$46,000, try saying you want \$48,000. By overstating the figure the employer is more likely to get closer to what you actually want.

Decide what the minimum amount of compensation is (be realistic) that you will make you truly satisfied- and do not accept less! There is no point in accepting an offer if you think you'll be unsatisfied and end up looking for another position in the near future. If the employer refuses this amount, it is to your advantage to keep looking.

If you are granted your proposed salary, get it in writing!



## The Appropriate Time to Talk About Salary

Use the interview wisely to get the employer to recognize the value you will bring to the company.

- ✦ Divert all salary talk until you've had a chance to state your strongest abilities and ideas
- ✦ Make sure you recognize what you will bring to the company

### DO Discuss Salary:

- ✦ After an offer is made
- ✦ After a salary range has been given

### DON'T Discuss Salary:

- ✦ On Your Resume
- ✦ On Your First Interview
- ✦ On Your Second Interview - Unless an offer is made
- ✦ On the Phone

### How to Divert Salary back to the Employer:

"Well, let's see....(pause)...Well, I'm sure (company name) offers fair salaries, what did you have in mind?"

"I have some idea of the market value, but for a moment let's start with your range for this position."

"Well I have an idea of the general market rate, but being that this job encompasses additional responsibilities, I'm sure you have a better idea of what its worth. What range did you have projected for this position?"

"I'm paid fairly for my responsibilities in my present job, and I expect a fair salary with respect to my responsibilities here. What did you have in mind for this position?"

"Well, when it comes to salary I'm firm in one point, I have absolutely no upper limits. Now, what did you have in mind?"

### How to Postpone Salary Talk:

"I'm sure we can come to a good salary agreement when the time comes, for now I'd like to tell you more about my strengths for this job."

"Why don't we keep talking to make sure I'm the right person for you, before we get sidetracked on money issues. (If offer is made) What did you have in mind?"

"I'm looking for the right opportunity and while salary is important, the position and company are more important. I am sure you will be fair with your offer and I also have some flexibility."

"Don't worry about salary; I know I need to make you more than I cost, and I'm sure I will. But before we get into that, let's make sure I'm the right fit."

"Well, compensation is about number three on my priorities right now. Number one is making sure we can work together, and I'd just as soon concentrate on that for now, if you don't mind."

"I'm not too interested in discussing salary right now. First, let's make sure our goals match up. Then if we need to talk salary figures, we'll have something to go on."

## What Can I Say If...

### The employer asks you what you were making:

First use the suggestions given to postpone salary talk. If that does not work you might state a broad range. "My salary range was between \$65,000 and \$80,000"

### The employers offers a salary below your range:

"I am very excited about being a part of your team, but according to my research, the salary is below the industry standard. Would your budget permit \$45,000 instead of \$40,000?"

### You decide not to take the position because the salary is too low but still want to keep them as a contact:

"Although I understand your salary limitations I believe it would be unfair to both of us for me to accept this position. I would like to stress though, that I think we would work well together and I do like the company. If another position becomes available with a salary more in line with the market, I do hope you will consider me."

## Negotiating Items

- ✦ Health care: Medical, Dental, Vision
- ✦ Incentives: Bonuses & Raises (performance based)
- ✦ Relocation Expense: Moving, Time, Temporary Housing
- ✦ Car: Car or car allowance
- ✦ Phone
- ✦ Travel Time Allowance
- ✦ Vacation
- ✦ Flex Schedule
- ✦ Comp Time
- ✦ Professional Associations Membership
- ✦ Tuition Reimbursement
- ✦ Professional Development: Conferences
- ✦ Administrative Support
- ✦ Stock Options: Relative to company growth
- ✦ Transition Assistance
- ✦ Sign-on Bonus
- ✦ Refinancing Support
- ✦ Separation Benefits: Severance, Outplacement, Medical Coverage
- ✦ Title
- ✦ Patent Sharing
- ✦ Expense Account: infrastructure, corporate image
- ✦ Participation in board meetings



## How to Get A Raise

Getting a raise can be a matter of proving you are an asset to a company. Many employees will insist that their company realizes the value they bring to the organization, but this alone will not prove effective.

Below is a list of things to start doing when attempting to ask for a raise.

### Start Documenting your results

Start keeping tabs on a daily basis of your accomplishments. This includes email messages, phone messages, and written proof that you are doing a great job. Try to document results a month before your request a meeting with your supervisor.

### Do some research on positions similar to yours

Using library resources and the internet try to find a salary surveys that match your skills and put together a brief report to present to your employer. Show them what you are really worth. You can also cut out ads that include salary.

### Outline Reasons for Wanting A Raise

Is it due to the fact you have not received a raise in 2 years? Have your job responsibilities increased? Are you attempting to purchase your first home? Let your employer thoroughly understand your position.

### Write Out Ways You Plan to Improve

Whether it is a personal, departmental, or a company improvement let them know that your thinking of ways to assist and improve what you are already doing. After you have written out the information and put it together in a brief report or in a nice portfolio (2-5 pages) you are ready to contact them. You can do this by setting up a meeting, writing a letter, or by email. The letter should not have detailed information. It should be concise and focus on setting a meeting to discuss a personal issue.

### Get Your Boss to Acknowledge Your Results

Keep your boss informed of every success you have. Inform your boss after implementing any suggestions given to you. Ask your boss every 3-6 months how they think you are doing (record it). Write your accomplishments on your reviews.

## How To Get A Bonus

### Ask For One

It sounds simple, but it's the best way for you to get a bonus. Approach your boss now, tell him/her you want a bonus, and you'd like to map out a plan for you to get one. Together you can develop goals against which you will measure your effectiveness. Agree that by the end of the year if you have met your goals you will receive your bonus. Be sure to discuss the bonus structure and document the points of your agreement in writing.

## Show Initiative

Don't wait for your boss to tell you what to do all the time. Take the initiative. Apply your professional experiences and knowledge to your position, simplify your boss's job or suggest an idea to improve a process for the company. Show your boss that you are not only a go-getter, but a thinker too.

## Be Valuable

Take on extra projects or responsibilities that may or may not be in your job scope. Help other departments when they need an extra hand. And simply learn and grow in your job. Show that you're an asset to the job, to your boss and the company, and that's why you deserve this bonus.

## Document Your Successes

Keep a weekly log documenting what projects you have completed, accomplishments and extra responsibilities you took on that week. That way when it comes time to discuss your bonus or ask for a bonus, you can show your boss exactly what successes and accomplishments you have made in your job.

## Make Every Project Count

Give 100% to all your projects, big or small. Sometimes the most unattractive projects end up being the ones that save the company thousands of dollars making one lucky project manager a hero, and a little richer.

## Salary Information Resources

[www.jobsearchintelligence.com/NACE/salary-calculator-intro/](http://www.jobsearchintelligence.com/NACE/salary-calculator-intro/)

[www.glassdoor.com](http://www.glassdoor.com)

[www.salary.com](http://www.salary.com)

[www.careeroverview.com/salary-benefits.html](http://www.careeroverview.com/salary-benefits.html)

<http://jobstar.org/tools/salary/index.php>

<http://www.rileyguide.com/salguides.html>

[http://www.careerinfonet.org/Occ\\_Intro.asp?id=1&nodeid=1&frd=true](http://www.careerinfonet.org/Occ_Intro.asp?id=1&nodeid=1&frd=true)

<http://www.bls.gov/ooh/>

