

Salary Negotiation

Salary negotiation is typically an indication that you are close to receiving an offer. Congratulate yourself for making it this far in the process, but don't break out the champagne just yet. The success of this critical, albeit sensitive part of getting a job is not measured by whether or not you get the amount you ask for, but rather by your willingness to engage in reasonable negotiations that are beneficial for you AND your prospective employer.

► Avoid Early Salary Discussions

The first rule is never to negotiate salary or say what you want until you have advanced through the interview process to the point where you are certain they want to hire you. Blurting out a number too soon could hurt you in one of two ways:

- It could eliminate you immediately if they feel you are too expensive, even though you may be willing to negotiate and compromise.
- If you throw out a number lower than they were thinking, you could be leaving some money on the table.

► Practice Negotiation

Negotiation often implies a sense of conflict and as a result most people view bargaining as unpleasant, but when approached as it should be negotiation is not confrontational. It is nothing more than two parties with different needs and goals working together to find a mutually acceptable compromise to an issue. The more job seekers understand about the process, the better they will be able to manage their salary negotiations with confidence and increase the likelihood that the agreed compensation will be positive for them and the hiring organization.

► Do Some Homework

Know the going market price for the position you are about to be offered. Browse recent salary surveys on-line, talk to colleagues in comparable roles, contact trade or professional associations in your field, and check newspapers and on-line job boards for similar positions.

Also know the state of the company. If they are doing well financially, shoot for the top salary; if they have had a few down quarters, expect them to lowball the offer, but be prepared to counter with how you will contribute to the bottom line.

► Allow for Industry & Geographic Differences

An Executive Assistant at a prestigious law firm will presumably earn more than his/her counterpart at the local health clinic, even though the job duties may primarily be the same. As well, big city salaries are likely to be higher than those in suburban areas and remote locations, even for the same job titles.

► **Consider Your Experience**

Nepotism aside, salary is directly correlated to experience. If you do not have a lot of experience for the position you are being offered, be realistic about your expectations. If you have substantial experience, hopefully you brought this out during the interview process - while you certainly can counter that the offer is not commensurate with your experience, now is not the time to rehash the interview phase.

► **Communicate Fairness**

Do make it clear that you expect to be compensated equally with persons in comparable positions, and also that you want to be rewarded for superior performance that you bring to the table.

► **Never Lie**

Reference checks could ferret out dishonesty and land you on the unemployment line. Be truthful about what you are currently making.

► **Refrain from Asking for an Exact Number**

Giving a range allows you more room to negotiate your total compensation package - salary, bonus, benefits, and other fringes because no two jobs are the same and no two candidates are alike. After giving a range, do your best to remain silent and allow the other person to react.

► **Be Flexible**

Understand upfront that you will not always get the exact amount you want, so be flexible in your expectations and recognize that you may have to compromise. The trick is to come to terms with how much you are willing to compromise and knowing what you will do if the offer is not acceptable. Will you be willing to walk away from the offer?

► **Have a Bottom in Mind**

Remember that negotiating implies a mutually-acceptable compromise for both parties, so know your absolute bottom line beforehand. Ask yourself what this opportunity is worth to you, now and in the future.

► **Never Talk About How Much You Need**

Your financial and budgetary needs are your issues, not those of your future employer.

When entering salary negotiations, never tell your future employer that you need "\$X" because your bills are high, you have an expensive mortgage, or your child is starting college in the fall. Bringing these up is a clear turn-off and sends a message of selfishness.

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Since you'll be at your desk 90 hours a week,
you won't need much."**

▶ **Negotiate with Your Future Boss, Not HR**

The hiring manager owns the budget. While Human Resources may set pay grades with minimum, midpoint, and maximum scales, only your future boss knows what he/she needs in this position and can go to bat to put together a deal that is acceptable to you.

▶ **Look at the Whole Package**

Don't focus solely on salary, even though you need this to pay the bills. What other benefits do the company offer and what money-saving benefits can you bargain for to make the numbers work?

- The ability to telecommute can save on travel expense, morning coffee, lunch and more.
- Educational assistance reduces tuition costs if you are (or will be) attending evening classes.
- Higher employer-paid portions of health, disability and life insurance translate to more take-home money in each pay check.
- Stock options can sometimes be significantly more attractive than a few thousand more in base salary.
- Sign-on bonuses and end-of-year bonuses can more than make up the difference, as long as you can budget your monthly finances accordingly.
- Better company matches on 401k and other retirement plans build your future nest egg.
- Business casual environments typically save on clothing cost and clothing maintenance expenses, such as alterations, dry cleaning, and constant shoe shines.
- A company car that you are able to use for reasonable personal use offers lots of savings opportunities, including the cost of a first or second car, insurance, tune-ups, and washings.
- Employee discounts that allow you to purchase company merchandise or services at reduced prices, or sometimes even at cost can save you considerable expense, provided of course that you are a consumer of those products or services.
- Consider promotional opportunities. If you can reach the next rung in the corporate ladder relatively quickly with this organization, your income potential can spike, making the offer all the more attractive.
- Perks such as fully or partially-paid gym memberships, cell phones, PDAs, or laptops can help defray your personal out-of-pocket costs for these items.
- Consider intangible extras also, such as extra vacation time or compressed work weeks.

▶ **Recap the Plus Points of Hiring You**

Explain that hiring you is an investment, not an expense. Remind the hiring manager HOW you will contribute to the bottom line - is it through new product introductions, increased sales, reduced costs, or increased productivity - whatever it is that you will bring to the organization.

▶ **Shift the Focus Away from the Dollars**

Remember that this must be a win for both you AND your prospective employer. Underscore how much you want the job and show that you are confident that if they consider you the best candidate, together you can negotiate a mutually-acceptable compromise. Do your best to shift the concentration off the dollars and put it on the impact you will have on the organization.

▶ **Don't Burn Bridges**

If you walk away because the offer is simply too low, do so on polite terms and turn the hiring manager into a networking contact. You never know where this could lead down the road.

▶ **Be Careful What You Ask For**

If you throw out a huge number and the hiring manager goes for it, you may find yourself scrambling to deliver superstar results that are way beyond your capacity.

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