

SALARY NEGOTIATION

“By being well prepared and confident, you will easily be able to master the art of salary negotiation” by **James Powell** reprinted from CareerBuilder.com

While negotiation has become a common part of today’s business, most of us are uncomfortable negotiating our salaries. But today’s employer expects some type of negotiation, and we must be ready. The tips below prepare you for the art of negotiation.

- **Avoid the question of salary, until you have an offer:** on job applications under salary requirements, put “open,” “negotiable,” or “competitive.” If a salary requirement must be given, then give ranges (usually begin your range at 10% higher than your last salary and add \$10K to get your range).
- **If asked directly how much you would like to make, try to avoid providing a number, but answer in vague terms:** “What would a person with my background and qualifications typically earn in this position with your company?” Or: “I’d rather discuss salary when we are both confident that I am a good match for the position.”
- **Research your market value.** Before you go into an interview, make sure you are armed with the most recent information on the salary ranges for the position that you want. Call directly into Human Resources and ask their salary ranges for the job you are seeking. It’s also helpful to compare specific salary ranges from CareerBuilder.com job listings.
- **Do not take an offer on the spot.** How valuable and in demand will you seem if you accept an offer the moment it’s presented? Instead, either take home the written offer or take notes on the details of the offer. Tell the employer that you would like to go over everything very carefully, and set up a meeting for the next day.
- **Examine the entire compensation package.** Be sure to consider insurance, stock options, 401(k) plans, pension and profit sharing plans, salary progression, vacation days, paid holiday, and sick/personal days.
- **Enter negotiations with understanding of your skills and their worth.** Know your strengths in your field. For example, say you were a keen negotiator for large corporate contracts that brought \$1million in revenue to the company. Explain to potential employers how you generally brought x-times your annual salary package to the company in terms of corporate profitability within your first year.
- **Negotiation is expected.** If you are going into sales and do not even try to negotiate, this could be the last test of your interview. If you will not negotiate your salary, how can you be expected to negotiate multi-million dollar contracts for the company? Even if you are not applying for a sales position, employers may be wary of a deal that is made too quickly.
- **Make sure the negotiation stays win-win.** When a company offers you an exact figure, it is usually safe to expect that the number is its mid-range. This is not the time to play hardball; you will be working with these people if you accept the position. Use real-life examples rather than trumped up negotiation tactics that sound like “ME, ME, and ME!” Think team.

- **If you have an okay offer.** “After looking over your offer fully, even though I’m sure it’s very competitive, the actual salary figure is lower on a monthly basis by 10% than what I am currently making. Though the bonuses will help improve the situation, those are subject to change. Is there flexibility on the salary portion of the offer?”
- **If you have a good offer:** “We are certainly very close. I was thinking about something more in the range of \$X to \$Y. How much room do we have for negotiation on the salary?”
- **If you have a low offer:** “I really like you, the job seems to be a good match, and the goals of management and the company’s organizational strategy all seem good. The only area that we need to talk about – and the only area holding me back – is the initial compensation offer. Quite frankly, the salary is less than I expected. I am truly interested in the position and from my research, \$X is the approximate level for the salary. The other companies I am speaking with are in that range. What can you do in this area?”
- **Examine alternatives.** If efforts are exhausted in the salary negotiation, and the company has not offered a salary acceptable to you, but you still want the job, shift the conversation to the future. Discuss a 60, 90, or 120 day performance review, year-end bonus, or a lump-sum signing bonus.

