

## **Salary Negotiation**

You have been offered a job. Now it's time to focus on salary and benefits with your perspective employer. In an ideal world salary negotiation is a conversation. It is based on mutual agreement, not confrontation. Feeling stressed? This isn't unusual. Salary negotiation can often be more uncomfortable than the job search itself.

Before you begin negotiating, know what you WANT to earn, what you NEED to live on, and what you will SETTLE FOR. Be willing to consider making tradeoffs to increase the offer it's to your advantage.

### **Preparation**

Preparation is an important step in understanding yourself and what things you should look at when evaluating a job offer.

- Know what your bottom line is and have a range in mind. (i.e. \$27,000-\$32,000).
- Prepare a budget of essential expenses to determine what you need to earn. (See budget worksheet)
- Find out your market value for this type of position in this particular field. Remember to compare salaries to jobs that have similar duties and responsibilities in similar geographic/cost of living regions.
- Practice salary negotiation with a friend, family member, or Career Service staff.
- Know your skills and experience and use them to demonstrate your market value.
- Try to find out what the company's maximum salary is.
- Understand when entering a new field that your ability to negotiate salary maybe more restricted.
- Do not make negotiations personal. Understand that the person you are negotiating with may not be the one with the power to make salary decisions.

### **Understanding Your Market Value**

Are your skills and experiences comparable to other job seekers in your chosen field? Make sure to compare your current salary to those with similar backgrounds and geographic region. Some resources you could use are:

- Salem State's Destination Survey of recent graduates([www.salemsate.edu/careersvs](http://www.salemsate.edu/careersvs))
- Internet resources: salary.com, JobSmart, Career Search, and the Occupational Outlook Handbook
- Job listings of similar positions that include salary information
- Your network of friends, family, alumni, and other professionals
- Professional Associations
- National Association of Colleges and Employers
- American Almanac of Jobs and Salaries

## Negotiations

Negotiations are not a one sided exchange; but a conversation between an employer and prospective candidate. Remember that both sides need to feel satisfied in the negotiation discussion. Understand that most employers will probably agree to what's fair within the constraints of their budget. Solid industry research can give you a strong foundation to begin negotiations.

- Do not start negotiations before the company makes an offer.
- If the topic of salary is brought up during interviews there are three ways to approach this.
  1. Try to delay the response and wait to discuss salary until you have enough data to discuss it further.
  2. Give a nonspecific response about fair market value or the right match between responsibilities and standards in the industry.
  3. Ask the employer based on your skills and background what is the typical salary range for this position.
  4. **Fringe benefits may be negotiable.**
- Handle negotiations face to face if at all possible.
- Have documented evidence as to why you want an increase.
- Understand sometimes you need to walk away from negotiations if an agreement can not be reached.
- If you have any doubts or concerns, thank the company for their time and decline the offer.

## Tips

- Always ask for the offer in writing.
- Never accept the job on the spot even if it is acceptable to you. Ask for a few days to consider the offer.
- Consider the entire package; benefits can add up to 30% to your total compensation.
  - Medical Insurance
  - Dental Insurance
  - Eye Care Insurance
  - **\*Reviews and salary progression**
  - Life Insurance
  - Accidental Death Insurance
  - Business Travel Insurance
  - Disability Insurance
  - **\*Vacation**
  - Paid Holidays
  - **\*Sick/Personal Days**
  - 401k plans
  - Pension Plans
  - Profit Sharing
  - Stock Options/ESOPs
  - Tuition Reimbursement
  - Health Club Membership
  - Dependent Care
  - Employee Assistance Program
  - Overtime
  - **\*Parking/Commuting Reimbursement**
  - **\*Relocation Packages**

Know that not everything can be negotiated. You don't always have to negotiate.

- Does the offer meet your predetermined requirements?
- Do you like the company, the position, your supervisor, employees, and offer?
- If you had the option, would you ask for something else?

Instructions: Fill out the budget worksheet. Take your total monthly expenses and multiply that by 12 to get your expected salary after taxes.

**\*\*Remember to account for deductions including federal, state, and local taxes, Medicare, Social Security.\*\***

## Monthly Budget Worksheet

<b>Expenses</b>	<b>Monthly Amount</b>	<b>Expenses</b>	<b>Monthly Amount</b>
<b>Savings</b>	\$	<b>Clothing</b>	\$
Emergency fund		Clothes	
Investments		Work clothes and uniforms	
Retirement fund		Laundry and dry cleaning	
		Other (special events)	
<b>Shelter</b>			
Rent or mortgage payment		<b>Household</b>	
Property tax		Telephone, mobile phone	
Renters/Home Insurance		Cable television	
Gas and electric		Appliance repairs/replacement	
Water, sewer, and garbage		Cleaning supplies/maid service	
Association dues, space rent			
Gardening, pool care, repairs		<b>Personal Expenses</b>	
		Beauty care	
<b>Food</b>		Recreation/entertainment	
Groceries		Pets	
Meals out		Gifts, charity	
School/Work lunches		Hobbies, lessons	
<b>Transportation</b>		<b>Miscellaneous</b>	
Car payment		Newspapers/magazines	
Gas and oil		Church tithes	
Insurance		Cigarettes and alcohol	
License, registration and taxes		Vacation	
Auto repairs		Christmas	
Parking		Childcare, counseling	
Public transportation		School tuition	
		School loans	
<b>Health</b>		Other	
Life insurance			
Health insurance			
Doctor and dentist			
Prescriptions and glasses		<b>Total Monthly Expenses</b>	