

SALARY NEGOTIATION GUIDE

SALARY NEGOTIATION OVERVIEW

Salary negotiation can be a very uncomfortable process for many people. However, salary negotiation is actually a typical part of the hiring process for many positions. Many organizations, especially big companies, expect you to negotiate, so they factor that into their offer. Salary negotiation isn't about demanding more money — it's a discussion both sides hope will have a positive outcome. While you will have more negotiating leverage after you become an experienced working professional, you may still have the invitation and/or expectation to negotiate now.

There are many good reasons to negotiate salary with an employer:

- You have extra special skills/abilities to offer and you believe they warrant more compensation than what the employer has suggested.
- You can't afford to live in the job location without more money.
- You have researched the industry, market rates, and economy, and you believe your offer should be more.

WHEN TO NEGOTIATE

Diplomatically avoid salary discussions during the interview stage. If you discuss salary before the decision has been made to hire you, you risk not getting the offer at all. You have more leverage after an offer has been made, especially if you were the organization's strong first choice, so be sure your priority is preparing for a successful interview.

What if the Employer Mentions Salary?

- You could say something like, "While salary is important, right now I'm eager to focus on whether I'm the right person for the job and a good fit for the organization. If we decide I'm the right person, I'm certain we can agree on a salary that works for both of us."
- You can also keep it simple and say something like, "If we come to a point where I'm your top candidate, I will consider any reasonable offer. Thank you for asking about it."
- If they continue to press you to discuss salary, avoid discussing specific numbers. Focus on a salary range instead. You might say something like, "In my research, I found the salary range for this position to be between \$xx,xxx and \$xx,xxx. Taking that into account, along with my skills and experience, I'm confident we can find a salary we're both comfortable with."
- Be aware that, depending on the industry or the company, negotiation may not be an option. If they ask you for your salary requirements on an application, make sure you do your research ahead of time.

WHAT TO NEGOTIATE

Salary is only one part of your compensation package. Keep in mind that you may also be receiving other benefits that can affect the salary offer such as vacation, sick time, health insurance, life insurance, retirement options, tuition assistance, and day care. Negotiating benefits could be an option to try if an organization can't negotiate salary with you.

What Can Typically Be Negotiated?

- Starting salary
- Stock options (if applicable)
- Additional vacation time
- "Sign-on" bonus
- Relocation reimbursement
- Alternative start dates
- Alternative work arrangements (e.g. different start time, telecommuting full-time or part-time, etc.)
- Cell phone reimbursement
- Other — negotiable factors vary depending upon the job and/or industry

PREPARING TO NEGOTIATE

Do Some Research

In order to effectively negotiate a fair salary, you need to know what a realistic salary range is for someone:

- in the type of position you've been offered
- with your qualifications/skills/education
- in that geographic location
- with your amount of experience

Note that the same type of position will earn different salaries in different types of organizations. For example, there are often differences between a business, nonprofit, and government agency. To research salary ranges, try the following:

- **Network:** Ask your contacts in the industry what the salary range is for someone in a similar position. (Ask about salary ranges; don't ask for someone's specific salary.)
- **Go on informational interviews:** Include salary questions on your questions list.
- **Use an online salary calculator:** Try www.salary.com, glassdoor.com, or the [NACE Salary Calculator](#).
- **Do research about the organization:** Try to understand their potential salary concerns. Be ready to diplomatically address them and to provide concrete reasons for requesting a higher salary.
- **Do research online:** Utilize websites such as the Occupational Outlook Handbook from the Bureau of Labor Statistics to research national and state averages.

Consider Your Limits Before You Begin

Remember that the job offer may include other benefits, too, so factor those in. Also, you should consider whether you are you willing to accept a lower salary if the position could lead to other opportunities. Be prepared for the possibility that you won't come to an agreement about salary. If that happens, politely stop negotiating and either accept or say no. If you do decline the position, be diplomatic about it. Don't burn professional bridges! Say in a friendly way that you're sorry it didn't work out, you think highly of the organization, and you hope it might work out in the future.

HOW TO NEGOTIATE

You'll probably receive the initial offer verbally, followed by a written offer. Always be enthusiastic about the position and thank them for the offer. You should always inform them that you will get back to them with a firm answer within 24 hours.

Open the negotiation dialogue by asking something similar to, "To help me understand the salary structure, could you tell me how you arrived at this compensation? My goal is to find a number that works for both of us." Listen to the response. Let them know you understand the reason(s). Then explain why you feel you deserve a higher salary. An example response could be, "I'm really glad you are interested in me, and I'm excited about this position. I understand that you typically pay recent graduates \$xx,xxx a year because they often lack the background for higher compensation. I do feel, though, that my technology skills and year of related experience bring me in at above the typical level of a new graduate."

If you want to negotiate by bringing up the typical salary range, say, "I have done some research about the typical salary range for this position, and I have found that the standard range starts a few thousand higher. I'm hoping we can adapt the offer to more closely reflect the market average."

A note about salary ranges: If you negotiate using a salary range, the bottom figure in your range should be the minimum you are willing to accept. The top figure should be at least 10 to 15% above what you'd hope for.

Give the interviewer/manager the opportunity to consider your offer. You might be tempted to talk to diffuse tension, but you should make a suggestion and then listen. If you're asked what number you'd consider in order to accept the position, frame your answer as a question. For example, say "Would you consider \$xx,xxx?"

Once you come to an agreement on salary, ask for the amended offer in writing. Congratulations on your new job!