

NEGOTIATING AN OFFER

THE BASICS OF NEGOTIATING

Your strongest negotiating stance is while an offer is on the table, but discussing a job offer with an employer is a notoriously tricky skill set to develop. On one hand, negotiating too rigorously can potentially result in the withdrawal of an offer; on the other hand, failure to negotiate can result in a lower starting point in salary and benefits that is difficult to catch up on while in a position.

PRIOR TO AN OFFER BEING EXTENDED:

Understanding total compensation

Total compensation is defined as the monetary and non-monetary benefits an employer offers its employees. When reviewing an offer, take into account all components of an offer including:

- Base salary
- Types of pay increases available
- Bonuses (i.e. signing, annual)
- Health care benefits (medical, dental, vision, life insurance, short/long term disability)
- Retirement
- Time off (vacation, leave, holidays, sick)
- Relocation
- Special programs

While base salary is a factor to consider, all of these benefits are important parts of a well-rounded offer. If you have questions while sorting through these details, contact your career counselor to help determine a strategy.

Do as much research as possible

Most employers will have done extensive research before extending an offer, taking into account years of experience, trends in the industry, and other information; you should do the same. Websites such as the Occupational Outlook Handbook (<http://www.bls.gov/ooh/>), Glass Door (<http://www.glassdoor.com>), and Salary.com (<http://www.salary.com>) provide insight into salary expectations.

Know your own expectations: take the time to calculate what your expected budgetary needs will be upon graduation, accounting for student loan payments, housing, savings, and personal expenses. This information will help you negotiate with concrete, reasoned figures.

Do not reveal salary expectations beforehand

You may be requested to state salary expectations ahead of time; this is a reasonable request, as employers often want to know if their estimated salary is within your acceptable range. However, stating a specific figure, whether high or low, could limit your room for negotiating. The best options are to either request not to reveal this information, or to state a range that is dependent on the total package offered.

WHEN AN OFFER IS EXTENDED:

Ask questions

Any given job offer can range from being a verbal assurance to a multipage contract, so be prepared to ask a myriad of questions at the outset. Questions may include:

- “What details can you give me about the benefits package?”
- “Can you provide a formal offer letter/contract?”
- “Who would I be reporting to? Who would I be working with?”
- Any other details about the position that were either not obvious in the job description, or you had questions from after the interview process

Do not give an answer in the moment

Request time to review the details of the offer, especially the benefits and employment stipulations (contract length, restrictions on other work, etc.). It is a rare situation when an employer needs an answer immediately upon extending an offer, and most will afford you some period of time to consider the position (anywhere from 24 hours to a week). In most situations, you should be suspicious if an offer would be taken off the table if you do not accept at the moment.

Making a decision

Salary is an important component of any job offer, but it is not the only factor to take into consideration. From a monetary standpoint, the salary must be considered along with other monetary compensation (bonuses and potential salary increases), the total benefits package including health care and retirement costs, and other financial aspects. Outside of compensation, there are other factors to consider: would the position require you to relocate? What is the potential for growth, learning, and promotion in the company? Does the position bring you closer to your long-term career goals?

Negotiation

The decision whether or not to negotiate should only be made after all of the details above have been considered; these topics will inform your conversation with the employer. Negotiating should be a factual conversation, not an emotional conversation. If you are making any request, be prepared to present evidence detailing your reasons (your years of experience, the standard of the industry given your experience and academic background, etc.). Make these conversations logical rather than opinion-driven, and you will have a better chance of changing minds, and maintaining a positive relationship with the employer during the process. If your request is rejected, be aware of what you would consider to be an acceptable counteroffer so you can make an informed decision.

AFTER AN OFFER IS EXTENDED:

Your response to an offer, whether yes or no, should be made in a timely fashion. If you choose to accept an offer, reach out over the phone if possible and confirm your acceptance. Often employers will need to collect other details from you to get your “new hire” process started, and it is easier to engage in this conversation over the phone. It is wise to request a document (either a contract or an offer letter, depending on the position) that confirms your offer and the details behind it. If you have any other offers that have been received, you should reach out to these employers and let them know you will not be accepting their offer after you have confirmed your employment.

When rejecting an offer, you can do so over the phone or via email. You should be cordial but firm in any engagement – most industries are well connected, and even employees from different companies may share experiences regarding your professionalism. A sample rejection of an offer email:

“Thank you for the time and effort you spent considering me for the Team Leader position at ABC Industries. Throughout the interview process, I was impressed by the dedication and integrity of you and your staff. However, after careful deliberation, I have made the decision not to accept your job offer. I wish you and your team continued success. Thank you for your time and consideration.”