BRANDEIS UNIVERSITY

The Heller School
FOR SOCIAL POLICY AND MANAGEMENT
CAREER
Development Center

Career Guide

Salary & Benefits

The Art of Negotiation

http://heller.brandeis.edu/careers/

Salary & Benefits

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Salary & Benefits: The Art of Negotiation

Salary discussion is a delicate topic, and an inevitable step in the job seeking process. Salary conversations can come up at all points of the process:

1. Some organizations might require your salary history to be included with your application materials.
2. During interviews, whether first, second, etc, most organizations will ask about y0ur salary requirements.
3. After the initial offer of a position is made to you, there is an opportunity to conduct salary and benefit negotiation.

Survey after survey appears to indicate that when it comes to what people look for in their work, salary is far down on the list…that is until it comes time to GET that salary and then NOTHING causes more anxiety than anticipating the "pay" discussion!

Most job seekers feel understandably anxious, embarrassed and uncomfortable when the time comes to discuss salaries. Advice such as "never bring up the issue of salary, let the interviewer say it first," is rarely helpful if you don't have any idea of how to respond when the topic does come up.

You will find in this document, a comprehensive overview of the process of salary negotiation. From the application, to the interview process, into initiating negotiations after you've been offered the job, you can gain the skills to be confident and knowledgeable about salary negotiation!

Salary History/Requirements

Some organizations will ask you about your salary history along with your **resume and cover letter.**

Do you ***have*** to provide salary history? **Only** if a job opening states: "only submissions providing salary history will be considered," or other wording to this affect.

Never disclose this information openly without it first being requested.

Only give exact dollar amounts when prompted, in some cases you can **give a range**.

Labor markets differ significantly from one country to another. It can be tricky to explain your salary history from **your experience working abroad**. In addition, work at an **NGO or non-profit** position paid by stipends can also present arbitrary dollar amounts.

Quick Tips to Explain Salary History:

- Currency conversions—Make sure to write your salary in the same country's currency for which you are applying. Or at the very least, list both with conversions.
- Stipend—Next to the dollar amount, write (Stipend). Also include if living expenses were covered such as: housing, food, transportation, etc. List these using the closest dollar amount.

When asked your salary requirements, never give an exact dollar amount. Instead, mention you are open to negotiation.

Sample Salary Histories

Sample 1

Your Name
Street • City • State • Zip Code
Phone # • Email

Salary History

ABC Company
456 Any Lane
Any City, CA 12345
Phone: (123) 555-1000
Title: Sr. Technical Writer
Starting: $48,500
Current: $52,600
Plus: Benefits and stock options

CDE Company
567 Any Drive
Any City, CA 12345
Phne: (123) 555-2000
Title: Technical Writer III
Starting: $42,000
Ending: $46,200
Plus: Benefits and semi-annual bonuses

Sample 2

Your Name
Street • City • State • Zip Code
Phone # • Email

Salary History

Corporate Communications Associate (2000-present)
The Hartford
Hartford Plaza
Hartford, CT 06115
Salary Range: $30,000 - $34,000, with full benefits package

Marketing Assistant (1998-2000)
Honeywell
101 Columbia Road
Morristown, NJ 07962
Salary Range: $24,000 - $26,000, with full benefits package

What Am I Worth? Do Your Research

Being prepared for salary negotiation is important for every step of the process.
In order to be prepared, YOU MUST DO YOUR RESEARCH.
Earning potential depends on many factors, such as your education and experience, as well as the type of job, organization budget, and geography.

It's important to have a solid idea of two things:
1. Your minimum salary requirement
2. Your estimated market value

Minimum Salary Requirement:
While you might not be pursuing a position for the money, you still need to cover your living costs. Itemize your monthly expenses and tally up the numbers to determine your personal bottom line.

Remember to include in your financial plan:

Housing	Child care	Student Loans
Food	Entertainment	Debt or Credit Card payments
Transportation	Incidentals	"Set-aside" amount for savings

Be honest about that number, and never accept a salary that would leave you struggling to make ends meet.

Estimated Market Value:
Completely separate from your minimum salary requirement—and possibly higher or lower—is an **average salary value** that a person can expect based on education, experience, geography and desired type of work.

Here are some great resources to start with:
GuideStar—www.guidestar.org
This site offers a searchable database of more than 1 million nonprofit organizations.
The Nonprofit Times—www.nptimes.com
This publication offers an annual special report on salaries with benchmarks primarily for senior and executive management positions across budget size and geographic location.
Development Executive Group (Devex)—www.devex.com
The site focuses on International Development positions and offers recruiting, business and career information services to over 150,000 members globally via its online platform.

Additional Websites:
http://nehra.salary.com/salarywizard/layoutscripts/swzl_newsearch.asp
http://www.salary.com/personal/layoutscripts/psnl_default.asp?itab=personal
http://www.indeed.com/salary
http://www.simplyhired.com/a/salary/search/q-nonprofit
http://jobstar.org/tools/salary/sal-prof.php
http://swz.salary.com/salarywizard/layouthtmls/swzl_narrowbrief_CS02.html
http://www.glassdoor.com/index.htm

In addition to the web, you should also conduct **research within your network**. To get examples of typical salaries in your field, think about the contacts you've made in school, work or internship experiences. You can conduct **informational interviews**, or talk with career services staff and faculty members.

Salary Talk: The Interview

What are your salary expectations?
Some organizations will ask you this tough question during your initial meeting. It's very important for you to expect this question and prepare your response.

Remember this is not the time for negotiation.
Negotiation will begin <u>only after</u> you've been offered the position

Tactics to answer this question:

- Start with explaining you are open to negotiation based on the position and overall compensation package
- Tell the employer you'd like to know more about the responsibilities and challenges of the job prior to discussing salary
- If pressed to offer a dollar amount, offer a **wide salary range**, based on your research

Postpone Salary Talk: Example Conversations

Example 1

<u>Employer</u>: "What kind of salary would you require to accept this position?"

<u>You</u>: "I'm very excited about this position and exploring the Compensation package. I would be interested in learning if there is a salary range already budgeted for this position."

<u>Employer</u>: "The details are still being constructed within upper management. What do you think you deserve to get paid in this position?"

<u>You</u>: "I am looking for the right opportunity and while salary is important, the position and organization are more important. I am sure that your organization will offer something fair that is compensable with my education and experience.

<u>Employer</u>: "We do try our best, but I was hoping you could provide me with a specific dollar amount."

<u>You</u>: "Though my salary requirements are flexible, they range in the mid-to-high fifties."

1 You can divert the salary question back to an employer and give them the opportunity to tackle salary figures first.

2 Try to postpone salary talk by drumming up talk about your skills and abilities that are of worth to an employer.

3 If pressed, give a wide range. Since the employer specifically asked for an amount, you need to oblige, but only slightly, with a range.

Example 2

<u>Employer</u>: "What is your current position offering you in compensation?"

<u>You</u>: "I am paid fairly for my responsibilities in my present job, with respect to my educational and professional background."

<u>Employer</u>: "What do you think would be a fair salary for this position?"

<u>You</u>: "I have an idea of the general market rate, and an idea of the ongoing rate for this position, but I would first like to start with your range for this position."

<u>Employer</u>: "Our range is broad and is unique between past, present and future candidates. I'm curious, what would be your ideal salary offer for this position?

<u>You</u>: "I am honored to be considered for this position and I am confident that I can make a strong contribution to the organization based on my skills, abilities and experiences. I am sure we can come to an ideal salary agreement when the time comes."

1 Postpone the salary topic with broad, undescriptive information.

2 Diversion back to the employer is a great tactic. Answer their question with another question.

3 Do not offer a dollar amount, even a range, if you aren't specifically asked to give one.

Money Isn't Everything

In preparation for your salary negotiations,

Sometimes there is not a lot of room for salary negotiation, especially in the nonprofit sector. It's important to realize there are many things you can **negotiate besides salary**. Benefits can add thousands of dollars to the compensation package.

Open negotiations to:

- Health and dental benefits
- Retirement package
- Stock options and investment opportunities
- Your type of schedule and start date
- Vacation, personal and sick leave
- Maternity and paternity leave
- Air Travel
- Health club membership
- Educational assistance
- Free mobile phone service or laptop
- Career development and management training
- Relocation assistance

Sometimes you can even re-enter salary negotiations after you demonstrate your worth to the organization. As a part of your offer, you can ask for a **6 month review** in order to revisit a potentially higher salary. **Not every job will provide these forms of compensation but be knowledgeable about your options!**

The Initial Offer

Once you have been offered the job, you have the opportunity to discuss with the employer the terms of your employment.

After the initial offer:

1. Let them know you are **excited** about the position and get the initial offer in writing.
2. Express your interest and ask for a specified time to think about the offer of employment. **Be very clear about when they can expect to hear from you**
3. Ask if you could discuss the compensation package.
4. Don't stop selling your skills even after the job offer is made.

Please Note:

For some organizations, incoming employees cannot negotiate salary. If you open up salary negotiations, you may be jeopardizing the offer by focusing on that aspect of the package. There is always risk involved in opening up salary discussions so do your homework about the organization before venturing negotiations.

Knowing the typical salaries in your field, in the particular organization and in the location, will give perspective to the initial offer. Be realistic about what you are worth and what the organization can offer.

Always remain grateful and polite during the negotiation process!

After all, the organization liked you and thought you would be a good fit for the organization.

The Art of Negotiating

If you've carefully pondered the offer and still decide you are worth more, than you are ready to prepare your negotiations. Negotiating with your potential employer can make your job one that best meets your own needs as well as those of your employer.

Quick Negotiating Tips:

1. Be sure you know **exactly** what you want, not approximately—This **does not mean** you will ever get exactly that, but having information clear in your head will help you determine what you are willing to concede.
2. **Always** begin by expressing genuine interest in the position and the organization—Be **pleasant, grateful and polite** throughout the entire process.
3. Be prepared to **defend** your proposal—Give meaningful work-related skills and positive benefits to the employer. **Requesting a salary increase because you are a fast learner, or have a high GPA usually are not justifiable reasons in the eyes of the employer.**
4. Respond with perhaps a figure 5-10% above their offer. If negotiating other items, prioritize a list of things that are most important to you.
5. Take good notes when negotiating.
6. Be open to their communication style and perspective.
7. Be sensitive, use common sense and think Win-Win!

Negotiation by definition, implies that each side will give. Do not perceive it as an ultimatum. If the employer chooses not to grant any of your requests—and realistically, they can and will do that—you will still have the option of accepting the original offer **provided you have kept a positive, productive and friendly atmosphere during your exchanges.**

Salary Negotiation: Example Conversation

Employer: "I want to thank you for your efforts over the course of our recruiting process, and for considering our organization as a potential employer. We've come to a conclusion in our job search and would like to offer you the position! Our organization is willing to offer you $47,000 plus a benefits package for the position of Assistant Program Officer."

You: "Thank you for the offer! I'm so excited about this position! $47,000 sounds like a good starting point."

You: [pause]

You: "I am excited to become part of your team and I am confident that I can make a strong contribution to your organization. However, the salary range is a little below what I had in mind, considering the level of responsibilities this job entails. Does your budget allow a salary that is closer to the low $50's rather than the high $40's?" 1

Employer: "The amount I've offered is really the highest my organization has budgeted for this particular position's salary." 2

You: "I am really looking forward to being part of your organization and I'd like to come to an agreement that works for the both of us. Can we go over the entire compensation package because the benefits package we've discussed before might be equally attractive.

Employer: "Sure. I think that we may have more room to massage the numbers in that capacity." 3

1 Your first response should always reiterate your excitement and interest in the offer, and then you should repeat the amount of the offer. Next, remain silent as if you are thinking it over.

2 Always start off by exuding interest and enthusiasm about the offer. Then start the increase at approximately 5% more than the original offer.

3 Exhibit your ability to be flexible and productive by positively inviting the employer to negotiate. If the salary is not negotiable, open the conversation to the benefits package.