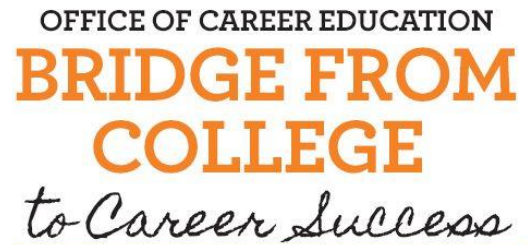


Negotiating Job Offers

WHAT IS SALARY NEGOTIATION?

Salary negotiation is the process of determining and agreeing upon the amount and/or types of compensation that an organization will pay an employee for work. It is not simply a series of discussions to increase your pay, but instead an agreed upon package that meets the needs of both the employer and employee. This can sometimes be a nerve-wracking process for individuals, especially recent graduates. This guide is meant to help you successfully embark upon the salary negotiation process.



EVALUATING OFFERS AND NEGOTIATING SALARY

Many employers are unwilling to negotiate with entry-level candidates, as they typically have standard starting salaries to ensure equity among candidates for these positions. However, attempting a negotiation and conducting it professionally is great experience and can yield a positive result. Often college students think if they attempt to negotiate an offer, the employer might view this negatively or even rescind their offer. If handled professionally and both parties communicate effectively this will not be a concern. The process of negotiating salary is much more common (and typically more successful) for experienced professionals. The same steps apply – do your research (professional associations often provide salary data) – and stay in contact with the employer during the process. Benefits negotiation is also more common – employers are often willing to waive delays in qualifying for retirement plans, increase vacation time, offer additional relocation assistance, etc. Bottom line, it doesn't hurt to ask for a higher salary.

STEP ONE – THE OFFER

You've worked incredibly hard to reach this point – congratulations! Up to this point your job search can seem out of your hands and in the employer's control, but the "balance of power" shifts once you receive your offer, so relish this fact and make sure you have all the information (and time) you need to make a good decision.

It is important to establish criteria that you are looking for in your career, based on your own interests, values and goals to help you decide if the position is what you want. You may wish to evaluate how you feel about:

- ❖ The organization's mission and goals
- ❖ The relationship of the position to the organization
- ❖ The day to day tasks involved with the position
- ❖ Your prospective supervisor and co-workers
- ❖ The working environment
- ❖ The salary, advancement possibilities, vacation, benefits (health, dental, retirement, further education, etc.)

Your offer will be communicated by phone or e-mail. If by e-mail, respond immediately! You can follow the scripts below, but too many students delay their response and risk an employer rescinding an offer because they think they're not interested. If the offer is given by phone, thank the employer, tell them you are very interested in the opportunity and would like time to think it over and get back to them with your decision. If you have questions about the offer or the position itself, feel free to ask them at this time. You will want to evaluate the employer-provided benefits, which can be the equivalent of an additional 1/3 of your salary. Some employers will send a formal offer letter describing these benefits in detail; if not, ask for this information in writing. You may want to speak with a human resources representative who can answer any questions you have about your benefits. If your mind goes blank when you receive your offer, consider scheduling a time within a couple of days to talk with the employer in more detail. This buys you time to think, do a little research, and talk to a career educator/family/friends to develop questions you want answered.

Sample Script

Employer: Hello Miriam! We enjoyed meeting you, think you'd be a great fit for our organization and would like to make you an offer for an editorial assistant position at an annual salary of \$30,000.

Miriam Response #1: Wonderful! I'm very interested in the position. I'd like some time to review the offer prior to making a decision. I do have a few questions – is now a good time to talk or should we schedule a time within the next few days?

Miriam Response #2: This is exciting news! I'm very interested. I am in the process of interviewing with a few other firms and need some time to communicate with them prior to making a decision – can I get back to you with my decision in two weeks? (Note: employers will want your decision ASAP but it is entirely reasonable for you to stall for time while you are concluding your search – the next step, of course, is to call/e-mail all the other employers you have applied to, tell them you have an offer and ask where you are in their application process.)

STEP TWO – RESEARCH

When negotiating salary, you need data. If you have another offer at a higher salary, that's ideal! You can tell the employer this and often they will try to bring their offer up to match, if they can. You may not have another offer, so your foundation for negotiation has to come from research. Get all the data you can from friends and recent grads who are searching or are currently employed in your field. Another key consideration is cost of living in the area – make sure you know how a \$35,000 offer in Philadelphia compares to a similar offer in NY, DC, etc. Salary ranges, based on the city and state, can be researched via www.salary.com. When you've finished your research, you're ready to negotiate.

Sample Script

Miriam: Hello, this is Miriam from Arcadia University. Is now a good time to talk? Again, I'm very interested in the offer you extended for an editorial assistant position with your organization and I have a few questions to discuss.

Employer: Of course! It's good to hear from you.

Miriam: In reviewing salary and cost of living data for similar positions in the NY area, I found the salary you're offering -- \$28,000 -- is a bit below the average. Is the salary negotiable?

Employer: I'm surprised you found our salary was below average – how so?

Miriam: My research showed the range for editorial positions in NY is \$30,000-\$35,000. For example, XYZ publishing pays \$32,000. Please understand I am very interested in your organization – but I'm not from NY, I'll be living independently and I'm concerned about how I'll manage rent and student loan payments on a limited budget. Yet, I remain excited about the opportunity to add value to your company starting on day one. (Note: Employees earn money because they add value to an organization. You should respectfully reiterate how you will benefit the company and not just that you need the money.)

Employer: I understand. Have you reviewed our benefits package yet? We are very competitive in this area and our benefits tend to make up for any slight salary differential.

Miriam: Your benefits package is excellent – thank you for forwarding that information. Robert in HR was very helpful in explaining the details about the benefits. Of course I understand if the salary is fixed, but I am hoping you are willing to consider an increase.

Employer Response #1: This is unusual, but let me take this back to my manager and see what I can do. I'll be back in touch by the end of the week. (Note: at that stage, be aware that the employer will typically expects you to accept their offer if they meet your negotiation request.)

Miriam: Thank you for understanding my concerns and being willing to consider this option. I look forward to hearing back.

Employer Response #2: Actually we've established a fixed salary for our editorial assistant positions to ensure equity among our entry-level hires. The cost of living in NY is very high and I want to be responsive to your concerns. You should know that we evaluate all of our entry-level employees after their three-month probationary period and again after six months, at which time you are eligible for a merit-based increase. One area where we do have some flexibility is in relocation assistance – we can offer up to \$1,000 to help you relocate to NY, which can be used to pay for moving and apartment rental expenses. Would this be helpful to you? (Note: Employers unable to negotiate salaries are often able to negotiate in other areas including relocation, a signing bonus, vacation and benefits eligibility.)

Miriam: Absolutely! I understand and respect your concerns about equity. As a new resident of NY the relocation assistance would be incredibly helpful. Thank you for our conversation – I'd like some time to think this over. When do you need my decision?

STEP THREE – THE DECISION

In the final analysis, salary is only one piece of your job and \$1,000 here or there shouldn't make or break your decision. Make sure the job is the right fit for you by considering these questions:

- Will it help you develop new skills?
- Does your boss have the makings of a good mentor? Can you build upon this position – does it increase your marketability or does it place you in a narrow niche?
- Is the work culture of the organization a good fit? Do people seem happy – do they like their jobs?
- Is there a structured training program? If not, how is training offered?
- How will you be evaluated?
- Don't forget also to clearly lay out your costs such as rent, student loans, travel, food etc. to know what your monthly costs are and what salary you truly need

Once the deadline for making your decision arrives you need to communicate with the employer – by phone is best. If you still need time it is often possible to ask for an extension – but know that most employers don't like to drag this process out because they need time to extend another offer if you turn them down. Generally two weeks is the amount of time you'll have to make your decision – but often that can be extended to one month and sometimes more, depending on how close you are to graduation (students with fall semester offers often have until spring semester to make their decisions; spring semester offers will allow less time).

If accepting the offer, indicate your enthusiasm for the position, establish your start date and check to see if there are any papers you need to sign. Celebrate! (Note: Once you verbally accept an offer do not go back on your word, even if your dream offer finally comes through. The world is a small place and people within the same industry often know each other. They may talk about how they were wronged by a potential hire like you.) Always negotiate and accept offers with integrity.

If declining an offer, thank the employer for their interest. If you accepted an offer with another employer, they may ask for your feedback about the process and want to know which organization you accepted an offer to. They're not being intrusive; this is part of their benchmarking process. However, you do not have an obligation to share this information.

JOB SEARCH AND RECRUITING POLICIES FOR ARCADIA STUDENTS

- ❖ Students are **REQUIRED** to attend all on-campus interviews they have accepted and/or scheduled.
- ❖ Canceling within 24 hours of the interview day or failing to show up will result in temporary deactivation of Handshake account.
- ❖ A missed interview requires students to write an apology letter to the organization. A copy **MUST** be given to OCE (via email or hard copy) in order to reactivate the Handshake account. If students miss more than one unexcused interview, all on-campus recruiting privileges will be lost.
- ❖ **Anyone who accepts a job/internship offer by voice, email, or letter is making a binding agreement with the employer. Once an offer is accepted, for full-time or internship, you are expected to stop your search and are no longer eligible to apply to positions in Handshake or participate in on-campus recruiting events or interviews. It is unprofessional to continue searching once you have accepted an offer.**
- ❖ Once an individual has accepted an offer, they should notify all other organizations where their application is pending and cancel any remaining interviews scheduled.
- ❖ Anyone who withdraws an acceptance (i.e. reneging on an offer) after initially accepting will immediately lose all recruiting privileges. This action reflects poorly on the individual, The Office of Career Education, and the university, often causing that employer to discontinue recruiting at the university.
- ❖ The Office of Career Education follows the Principles for Professional Conduct established by The National Association of Colleges and Employers (NACE) and requires students, alumni and employers to practice the same principles to ensure equitable recruiting. Visit <http://www.nacweb.org/principles/#careerservices>

NOTE: Arcadia University and Arcadia University's Office of Career Education disclaim any liability for the recruiting, hiring, or employment practices of employers using Handshake or participating in recruiting events. Employer access to Handshake or recruiting events does not constitute an endorsement of that organization. Career Education is not involved in the actual transaction between employers and students/alumni.