



MANAGING OFFERS & SALARY NEGOTIATION

Entry-level hires

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.

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.

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 you'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, 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 counselor/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 \$28,000.

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 and 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 – they'll often share information about typical salaries. 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 or DC. Career Services asks graduating seniors for salary information each year – you can find this data, as well as links to salary calculators, cost of living websites and salary message boards at http://www.swarthmore.edu/career_salary.xml.

When you've finished your research, you're ready to negotiate. Take a deep breath, and begin:

Sample script

Miriam: Hello, this is Miriam from Swarthmore College. 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 I was hoping we could 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. (Note: Employees earn money because they add value to an organization. You can 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 though? 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 401(k) and health plan. 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 this stage, be aware that the employer typically expects you to accept their offer if they meet your negotiation request.)

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

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 but 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 – 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 and what are the average annual salary increases? 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 to meet these costs.

Once the deadline for making your decision arrives you need to communicate with your employer – by phone is best. If you still need time it is often possible to ask – 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 such as yourself.) Negotiate and accept offers with integrity.

If declining the offer, thank them for their interest. They may ask for your feedback about the process and want to know which organization you accepted – they're not being intrusive; this is part of their benchmarking process. Feel free not to share this information.

Experienced hires

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 much 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 – a negotiation conducted professionally is respected by any employer.

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