



Smart Salary Negotiating

Research the salary range of your prospective job. Start by taking a good look at your own salary requirements as well as developing an understanding of what your skills are worth in the current employment market. Collect salary range information from a variety of sources, such as UMD engineering salary surveys and the National Association of Colleges & Employers annual salary survey (available at the Engineering Co-op Office), online resources such as www.salary.com (see “Web Sites with Salary & Negotiation Information” handout for more sites), industry associations, professional journals, and the U.S. Bureau of Labor Statistics.

When you receive the offer, ask questions! Make certain they know how excited you are about the job. Then ask a few relevant questions about benefits, stock options, etc. Make certain that you know all the ramifications of the offer before zeroing in on some issue - salary, stock, etc. - that you believe is substandard. Besides defusing the stress, your questions about other aspects of the company's offer may actually be quite valuable in comparing "apples with apples." Although a better insurance plan might not offset a \$10,000 difference in salary, it could make the difference for you if you are down to a close decision.

Factor the organization's entire compensation package (i.e., tuition benefits, investment options, health plan, and any other perks) along with salary into your negotiation discussion. Compute the dollar worth of these benefits and add this figure to the salary for a more realistic picture of how the organization compensates. (Benefits can add up to 40% of your base pay.) If it is important to you, you may decide to negotiate benefits rather than an actual dollar increase. If a company appears hesitant to move on salary, bonus, stock options, etc., than perhaps they might have some latitude in other areas like relocation, vacation days, or temporary housing.

Use tact when negotiating. Emphasize to the employer how excited you are about the job but that you are disappointed with the salary that was offered. Then explain the reasons why you believe the offer is well below the market value for the position and describe what you can do for the company. If you can point to how you can make money for the company or how you can save them money, do so. Ask them to see if they can do any better. Then go home and wait. Use silence and time to your advantage.

Keep selling yourself. Marketing your skills and qualifications doesn't end at the interview! In an employment negotiation, you must emphasize your skills and how they apply to the job at hand as reasons that they should offer you a higher salary. You have to provide solid reasons why they should pay you more.

Determine opportunities for promotion. Job progression is an important factor in making salary decisions. Ask how promotions and salary reviews are handled.

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Get written confirmation. Getting something in writing provides closure and prevents any

misunderstandings between you and an employer. Take charge of this process by writing a letter spelling out the details of your agreement while they're fresh in your mind. For example, yours might read something like this: "Dear Mr. Shoemaker: I look forward to working with you. For the sake of clarity, I set down the points of the agreement we reached yesterday. If I am incorrect on any aspect, please let me know. If I don't hear from you, I'll assume we're in agreement. Sincerely, Jeff Shaeffer." Note: don't expect an original offer to be in writing 100% of the time. You'll find some employers prefer to discuss all the parameters of the offer first, then send you a letter of agreement after you've given a verbal "yes."

Decline professionally. If you decide to decline an offer, draft a letter to the company thanking them for the offer. Don't feel pressure to explain why you could not accept (if they are interested, they'll ask). Thank the employer for the interview. It's never too late to network.

What NOT to do:

Don't be caught unprepared. The more information you have about your market value and the prospective employer, the greater your likelihood of success. There's a wealth of information about average salaries and negotiation techniques on the Internet, at the public library and through professional associations and networking groups. Time spent learning how to negotiate and preparing for negotiations may be the best investment you'll ever make.

Don't approach salary negotiation like haggling over the price of a car. Recognize that employment negotiations are unique. When the negotiations are over, you'll have to work with the person with whom you're negotiating. Moreover, your future success may depend on that person. So, while you want to negotiate the best possible deal, you need to do so in a way that doesn't damage your image.

Don't be too eager to accept. Ask for at least 24 hours to respond to the offer. If you feel the salary isn't sufficient, tell the employer when you ask for time to consider the offer. You'll find out right away whether the salary quoted is set in stone or not.

Don't play "hard to get" when you have little or nothing to leverage. If the company has offered you a salary that is more than fair compared to industry standards, you may not need to negotiate. In addition, if you are new to the field and applying for a position such as an internship or a co-op, you may not have as much leverage to negotiate.

Don't be greedy. The one sure way to lose everything you've obtained is to be greedy. Know when to quit bargaining. There comes a point in every negotiation when you've achieved everything you could have reasonably expected to gain.

Don't lie about your past salary history or other salary offers. It's not only wrong to lie, but in employment negotiations, it's ineffective. If you lie during negotiations, sooner or later you're likely to be caught. Once you are, even if you don't lose the offer, you'll be at a tremendous disadvantage, and your credibility will always be suspect.

Don't forget that employment is an ongoing relationship. Job negotiations are the starting point for your career with a company. Get too little and you're disadvantaged throughout your career at that company; push too hard and you can sour the relationship before it begins.