

# Job Offers and Negotiation Packet



213 LIFE SCIENCES EAST  
(405) 744-5658

ANDREA SKIMBO  
SENIOR COORDINATOR  
ANDREA.SKIMBO@OKSTATE.EDU

CHELSEY ARMSTRONG  
COORDINATOR  
CHELSEY.ARMSTRONG@OKSTATE.EDU

MAKE AN APPOINTMENT ONLINE AT  
CASCAREERS.OKSTATE.EDU

[WWW.HIREOSUGGRADS.COM](http://WWW.HIREOSUGGRADS.COM)

## **Job Offers: Salary Negotiations**

Before beginning the interview process with an organization, you should plan your salary discussion by completing a five-step desired salary assessment for determining your ideal salary range.

STEP 1: Review all current bills, anticipated expenses, etc. to determine the minimum cash requirements for meeting your needs.

STEP 2: Clarify your value in the current employment market and with the specific employer.

- Research the "going rate" for your job area by asking friends, relatives, companies, placement services and others about their salaries.
- Review salary surveys from <http://hireosugrads.com>, professional journals, the Bureau of Labor Statistics, state labor offices, <http://www.glassdoor.com/Salaries/index.htm>, <http://www.salary.com/category/salary/>, <http://www.payscale.com/>
- Investigate how the prospective employer compares to competitors (i.e., higher salaries or lower salaries).
- Consider cost of living differences if relocating would be required. Research cost of living in different locations on: <http://money.cnn.com/calculator/pf/cost-of-living/>

STEP 3: Determine a realistic "dream" figure, a salary that would make joyous celebration inevitable but that would not price you out of a job in your field.

STEP 4: Using all the information you gather determine a range of \$2,000-\$5,000 that would be a fair offer considering your experience level, education level and data on fair salaries. Example: Lab Tech in OKC - \$32,000-\$36,000 a year

STEP 5: Evaluate the current economy and your level of experience to determine if you have received. It may not be necessary to negotiate your offer if it's a competitive offer.

## **When to Begin Negotiations**

Although you should determine your desired salary range prior to an initial interview with an employer, you should avoid instigating a discussion of compensation during that initial employment interview. Your initial interview should focus on the assets you could provide to the organization and not on what the organization could do for you. However, if an employer broaches the subject of salary in your initial interview, do not evade the discussion.

During the first interview, if the employer approaches the topic of salary negotiation, you may feel the discussion is premature. You may wish to postpone the discussion temporarily to gather more information from the interview. This mission can be accomplished by telling the interviewer that you would find it easier to discuss money after you have clarified a few more details about the position and the organization. You should then request permission to ask a few questions.

If the interviewer insists on discussing salary during the first interview, then the topic should be addressed. Otherwise, the ideal time to begin salary negotiations is when the job offer has clearly been extended. Prior to receiving the job offer, you have nothing to negotiate; the interview process is simply a process through which the employer learns more about you and decides if you are the best candidate for the position. During the interview process, you are at a disadvantage with regards to a salary discussion because you are trying to sell yourself to the employer. After the offer has been extended, the employer has already reached the decision that you are the ideal candidate. Also by this point, you should know what your ideal compensation package encompasses. You now have the advantage, begin negotiating.

### **The Negotiation Process**

The employer should present the first salary figure. Employers may ask of you initially, "How much would it take to get you?" or "What are your salary expectations?" Employers are seeking a dollar figure. However, you can turn the question back to the employer by summarizing the responsibilities and expectations of the position and by following the summary with "What has the organization budgeted for a position of this nature?" or "What figure or range did you have in mind for someone with my qualifications for fulfilling this type of position?"

When the focus of the conversation returns to you with another request for a dollar figure, you should review your key qualifications to the employer, emphasizing skills and abilities and then disclose the number you previously determined to be a fair range for the position.

### **Reacting to the Initial Offer**

**FAIR OFFER REACTION:** If you believe the employer's offer for compensation is a fair offer, you may want to try one more time to increase the value of the proposition. This attempt may be initiated by stating to the employer that you are very close to an agreement. The appropriate next step in this reaction is to disclose a specific number that is slightly above the employer's offer. This disclosure should be followed by an effort to reconcile your desired range with the offer by asking, "How much liberty to negotiate do we still have?" Using this strategy may result in a slight increase in your offer or in the same offer. Regardless of the result, the offer will be no less than the salary you have already judged as equitable and worth considering.

**UNDEIRABLE OFFER REACTION 2:** If the employer's offer is less than you believe is equitable, your strategy should be to continue negotiations requesting incentives, requesting a salary increased based on your value or salary research, or asking for added options. A one-time relocation bonus or salary bonus may be requested or additional 401 K options, vacation day or other changes in the benefits package. The salary is just one area you can negotiate and you may consider other options if salary is firm. You should stress your potential assets to the employer and assure the employer of your sincere interest in the position with the one barrier to acceptance being a suitable salary package. After continuing negotiations, you should have a clear understanding of the value in the entire compensation package, including salary, benefits, potential for professional growth, and employer stability.

## **Benefits as a Part of Overall Compensation**

In evaluating the value of the overall compensation package, the value of benefits should not be overlooked. The following list mentions benefits common to salary offers. Keep in mind that you may be able to attain some of the one-time benefits by negotiating them into a salary offer that you initially judged as inequitable.

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>- Signing and/or year-end bonuses</li><li>- Guaranteed promotions and raises within an established time</li><li>- Relocation assistance</li><li>- 401K and other investment matching programs</li><li>- "Cafeteria" insurance plans (you select the insurance benefits you want)</li><li>- Profit sharing</li><li>- Stock options</li><li>- Pension plans</li><li>- Company car or car allowance</li><li>- Car insurance (or insurance allowance)</li><li>- Car maintenance and gas (or an allowance for each)</li><li>- Compensation time for unpaid overtime</li><li>- Country club or health club membership</li></ul> | <ul style="list-style-type: none"><li>- Medical, dental and/or vision insurance (note deductibles and amount of premium employer pays)</li><li>- Job discontinuation policy</li><li>- Expense account</li><li>- Financial planning and tax assistance</li><li>- Life insurance</li><li>- Short-term or long-term disability plans</li><li>- Paid sick leave</li><li>- Paid vacation</li><li>- Tuition assistance</li><li>- Professional development programs</li><li>- Child care</li><li>- Work scheduling flexibility</li><li>- Home-based work opportunities</li></ul> |
|---|---|

## **Making the Final Decision**

When an employer extends a final offer of a compensation package, you should never accept the offer immediately. The appropriate action is to express your excitement at the prospect of becoming a part of the company and to ask for a few days to give the offer your final considerations. During that few days, seek the opinions of mentors and advisors, and then compare that advice with your own instincts and observations. The traditional list of pros and cons can be a valuable tool during your final evaluation.

Upon making your final decision, you should contact the organization and verbally accept or reject the position. If you accept the position, a letter of formal acceptance detailing the specific position, salary, and benefits you are accepting should be promptly forwarded to the company. If you decide to reject the offer, sending a letter of appreciation may maintain the lines of communication with the organization in case you wish to pursue future opportunities with the organization.

# Items to Consider and/or Negotiate

Rank the following statements in order by what is most important to you for 1 equaling the most important option and the highest number equaling the least important option.

## COMPENSATION

- Base Salary
- Bonus
- Incentive Bonus
- Money in lieu of benefits
- Overtime pay
- Hourly wages

## BENEFITS

- Insurance Programs
- Medical
- Dental
- Vision
- Life
- Long-Term Disability
- Retirement
- Personal Days
- Vacation
- Holidays
- Sick Days

## FINANCIAL PROGRAMS

- Stock Options
- Company Paid Pension
- Immediate Vesting of Pension
- Matching Investment/Profit Sharing
- Long-Term Disability Thrift Plan

## EDUCATIONAL PROGRAMS

- Tuition Reimbursement
- Leadership/Management Development
- Education/Training Expenses
- Professional Association Membership
- Subscriptions to professional publications

## PERKS

- Expense Account
- Company Car
- Commuting Allowance
- Parking Reimbursement
- Free Lunches

## RELOCATION COSTS

- House Hunting Trips
- Apartment/House Location Assistance
- Moving Costs (Direct or Percentage)
- Travel Costs
- Temporary Housing
- Getting Settled Expenses
- Higher Cost of Living Subsidy
- Unusual Expenses (ex: Moving a boat, horse or overseas relocation)
- Realty Fees, Legal, Closing Costs
- Higher Mortgage Cost Allowance
- Bridge Loan
- Low-interest Loan

## EMPLOYEE SERVICES

- Employee Assistance Program
- Annual Physical Exam
- Legal, Tax, Financial Assistance
- Loans
- Discount on Purchases
- Computer Equipment

## STATUS & LIFE STYLE PERKS

- Club Memberships
- Country Club
- Health Club
- Airline VIP
- Frequent Flyer
- Use of Company Apartment
- Premium Hotel Accommodations
- Executive Dining Room
- Spouse's Travel Expenses
- Tickets to Sporting Events, etc.
- Sabbatical leave
- Military Leave
- Maternity Leave (paid)
- Larger, Better Office
- Private Secretary
- Reserved Parking

## Comparing Job Offers

Use the table below to record the details about each job offer in columns A, B and C. In the last column marked "My Preference," write the letter of the job offer you find most appealing for each criteria. At the bottom of the page total the number of times you choose each offer in the "My Preference" column to find the offer that you found the most appealing by criteria.

Job Criteria	Offer A	Offer B	Offer C	My Preference
Salary offered				
Location City/State				
Position title				
Weekly hours				
Size of company				
Size of office				
Promotion availability				
Authority within position				
Commuting distance				
Benefits				
Perks				
Travel requirements				
Type of work				
Management style				
Distance to family/home				
Bonuses/ Stock options				
First impression				
Work environment				
Corporate culture				

<b>Total A:</b> _____ <b>Total B:</b> _____ <b>Total C:</b> _____
---