



Powerful Salary Negotiation Strategies for Jobseekers



By Nancy Segal

Introduction

We understand that as a jobseeker, even if you are at the executive level, you may find the process of negotiating salary daunting.

This tip sheet will help you understand the basics of salary negotiation, what can and cannot be discussed concerning this topic and when to do that, how to create a salary-negotiation ready mindset, and more.

We should also note that negotiating salary for private sector positions is different than negotiating for positions in the federal government.



Salary Negotiation Basics

During the negotiation process, your goal as a jobseeker will likely be different from the goals of your would-be employer. The organization often focuses on base salary. For you, the vital component may be total earning potential. We will discuss this at length: total compensation versus base salary.

In this document, we'll cover the basics of negotiation and share tips, tools, and advice offered by dozens of career professionals with decades of collective experience to share with you. We will note the differences between negotiating for federal and private sector employment.

Specifically, we will cover:

- When you can negotiate and when you cannot (both federal and private sector)
- What you can negotiate and what you cannot (both federal and private sector)
- The power of information: preparation and research
- Mindset
- Working with recruiters
- Timing
- Execution
- Follow-up

When and When Not to Negotiate

Not all aspects of employment positions (or all job offers) can be negotiated, and this is especially true for federal, union, and entry-level jobs. In unionized occupations, for example, the job scope and responsibilities are firmly established, and all aspects of compensation and benefits are strictly regulated.

If the position is not part of a collective bargaining agreement (union) then, typically, the terms of the employment arrangement may be negotiated. Companies tend to know which aspects of their offer package are negotiable and which are not prior to making an offer. Much of this is dictated by policy; larger organizations have less flexible packages than smaller organizations—generally speaking, of course.

For federal positions, only the first federal appointment is typically negotiable; once you are already in the “system,” things are less open to negotiation—again, generally speaking.

Characteristically, the more senior the role or the uniqueness of the skill set, the more flexibility the hiring authority will have in negotiating the total compensation package.



What Can and What Can't Be Negotiated

Federal employment:

In the federal government, you can negotiate pay and vacation time accrual. Pay is negotiable within the grade offered. You cannot negotiate grades. And please note that pay is negotiable on your entry to the government—not if you are already there (although there is some flexibility for current federal employees entering the Senior Executive Service (SES)).

Pay above the entry level for a particular grade is based on qualifications and / or prior earnings.

Also negotiable is vacation time. While most new entrants to the federal government earn 4 hours of vacation time per pay period (6 hours for separating military members in most cases), new entrants to the government may negotiate either 6 or 8 hours per pay period based on the number of years of comparable experience they have.

All negotiations must occur and be agreed to prior to starting a government job.



What Can and What Can't Be Negotiated Continued

Private sector employment:

Essentially, if the item falls within the private sector employment contract, it may be negotiated – depending, of course, on the employer's available resources. Some employers will be flexible in what they can offer while others will not. There are many commonplace assumptions about salary negotiations that are pervasive today. Job candidates don't have to leave money on the table when they negotiate—but they often do.

It is important to understand that salary is only one part of the total compensation, which includes all of the various components of the benefit/salary offering. Some employers are unable to negotiate much on the salary front. However, typically, the more senior the position, the more room there is to negotiate.

Most employers often look upon negotiating salary favorably and prefer candidates that skillfully negotiate; the employer's focus is to attract, hire, and retain the right talent who will stay for the long haul rather than spend more money on recruitment and turnover-related costs.

In addition to salary, consider other important benefits. These can include job satisfaction, leadership opportunities, engaging workplace culture, increased vacation time, holidays or personal absence days, flexible work hours, convenient telecommuting options, and career advancement opportunities.

Here is a list of potential options in the private sector that you may be able to negotiate:

- Bonus(es), including a sign-on bonus
- Pension plan
- Tuition reimbursement
- Continuing education
- Guaranteed contract time
- 401(k) matched by employer
- Profit sharing
- Medical / dental / vision benefits
- Cost-of-living allowance for foreign employment
- Cell phone / computer / tablet
- Organization discounts
- Expense/travel allowance
- Vacation time
- Personal time / sick days
- Child care
- Memberships
- Organization discounts
- Flexible schedule
- Telecommuting
- Commissions
- Moving / relocation expenses

Remember that knowing what you don't want is just as important as knowing what you do want because items that are unimportant to you have a **"trade-off value."**

Determine how much you'd be willing to trade off for certain concessions in how you do your job. For example, you could ask for a day off every two weeks (and mention that you're willing to work a little longer each day to make up the time).

"I am very interested in joining the organization and would like to have a few days to think over this offer. Can we set a time to get together on _____?"

While it may be hard to do, **it is usually preferable to meet an employer in person** to conduct salary negotiations. You must get face to face.

Know what benefits you feel you must have and which ones you consider disposable.

When you meet with the employer, tell them that you have thought it over, that you greatly appreciate the offer, but would like to know if there are points that are negotiable. Or simply ask outright, *"Is the base salary negotiable?"* **Always start with the base. Don't expend the initial, valuable energy on the benefits yet.**

The employer may counter with something such as:

- A. "Well, that's really the standard salary for that position."
- B. "What were you looking for?"

In the first case, you need a bargaining chip. You will either need to:

- See if the standard can be modified based on your unique qualifications, or:
- Try to value-add yourself into another slot.

You may be able to influence the employer to **"create" a new position** or direct you toward a higher-level position. You may do this by providing samples of your work, presenting case studies of your own accomplishments, or delivering a presentation to the hiring authority.

You still don't want to state an amount or jump the gun with, "The least I'll take is..." Instead, you can say:

"I was hoping with the qualifications that I bring to your organization that you might offer me a higher base..."

Both of these situations require that you are prepared before you start to bargain. Spend significant time considering your value before the interview. You might strongly consider bringing in examples or a plan that demonstrates your added value. (For instance, one savvy Marketing Director prepared a marketing plan that she introduced into the negotiation process. The employer could immediately see the added value of hiring her.)

When negotiating, **always start out by asking for more than you are willing to settle for** (you can always come down, but you can rarely go up). That is a classic negotiation technique, and you can be sure the employer will be doing the opposite (offering you less at first than they are actually willing to pay you). A great salary is one that is at or above the 75th percentile (compared to typical salaries paid for your type of job in your geographic area). So if you want to aim for the 75th percentile, ask initially for around the 85th (or even a little higher, depending on your sense of how badly they want you).

In order to be paid more, **be willing to offer more.** Perhaps you can negotiate performing additional duties (beyond what's in the job description) in return for more money. Do a bit of research to determine (even just approximately) what these duties might be worth. Research the typical salary paid for someone in a job role that's "one level above" where you'd be is a good idea. For example, if you're interviewing for an Accountant Level II position then find out what Accountant Level IIIs are being paid.



The opposite can also happen: You may want a high base salary, but the organization wants to control payroll and expenses. To get to a win-win in this circumstance, suggest the organization hire you as a subcontractor. This way, you earn a higher wage, and the organization saves on benefit expenses, FICA and Worker's / Unemployment Compensation costs.

Know where you can be flexible and where you can compromise in achieving a win-win outcome by determining what is important to the organization, what the organization is offering, and what is important - and what is not - to your own career.

Consider if working fewer hours for less pay is an option. If the employer cannot increase salary due to a budget cap, this might be worth negotiating. You may have unique, hard-to-find skills and a smart manager might recognize that getting 32 hours of your time versus 40 would still be beneficial. Many salaried employees are paid for results instead of hours, and one fewer day in the office per week may not have a significant impact.

Look for “win/win” opportunities and use these to sell the hiring manager on the idea. For example, an employee who can work 4 ten-hour days may be able to cover off hours.

If you are unhappy with the salary, ask about a mid-year adjustment if the organization is on an annual pay increase. Perhaps they can budget in more salary at a later time.



Mindset

Hold off accepting the offer right away. Two reasons:

1. You need time to allow the excitement of receiving a job offer to settle a bit, so you can think rationally about the offer.
2. In order to maintain your leverage, it is important to negotiate all aspects one time only. This will take preparation.

How successful you are is determined by a few variables, such as:

- Knowing what you want and don't want
- Recognizing what you are willing to give up
- Having full knowledge of what you are negotiating
- Researching your alternatives
- Being able to articulate your position confidently and decide on a suitable outcome

Negotiating a job offer is definitely a skill that can be developed. The main strategy of negotiation is to articulate to your future employer that you agree to collaborate in good faith.

Confidence is important in negotiations. You've probably heard the phrase, "Negotiate from a position of strength." Strength comes from confidence. Confidence comes from being prepared (doing your homework), reaching the right decision-maker, having the right timing, and knowing what you want out of the negotiation. One of the best things you can do to boost your confidence is to practice (role play) your salary negotiation with someone. Ideally, practice with someone who has negotiation experience – for example, a sales professional or lawyer.



Even in a poor economy, it is worth negotiating your salary. In fact, in a 2012 survey conducted by Robert Half International, a global staffing firm, more than one-third of executives interviewed said they are more willing to negotiate salary with top candidates than they were a year ago. In a survey conducted by the Society for Human Resource Management, four out of five employers (80 percent!) said they are willing to negotiate compensation.

It is absolutely critical for you to **maintain a mindset of humility, confidence, and cooperation** with the hiring manager.

Have a realistic expectation of the appropriate salary for the role, the respective geographic location, skill set, and responsibility level.

Stay calm and alert; go with the flow. Be flexible to negotiate an agreement that meets your goals. Be prepared to market yourself and **never underestimate your value.**



Information - Preparation and Research

Many jobseekers approach the interview without doing enough research. It is important to understand your worth, identify your targeted salary range, weigh priorities, and employ a solid negotiation strategy. **Without a solid plan in place, you may end up settling for less in the job offer by not negotiating, then feeling undervalued.**



Salary and Benefit Goals

From this information, you will have an understanding of what you want from your next job, whether that be salary and benefits, career opportunity, work-life balance, or a blend of all three. Knowing this information also helps you understand what you don't want. If your last job took up too much of your personal time, you might be thinking that your next job must provide you with a better work-life balance.

Have a salary range in mind. Identify your absolute bottom line and don't settle for less. Identify the benefits that are important to you.

During your interview(s) you should have been able to gather all the important information about the job and what it will take for you to be successful. Understanding the complexity of the role and the marketplace will support your negotiations.

Questions to ask:

- Do I have a full understanding of what will be expected of me?
- How long will it take me to ramp up?
- Do I have all the skills the organization is looking for? If no, what skills am I deficient in? How important are they to be successful?
- Do I bring extra value to the organization? If so, what is the value of the extra skills?
- How much do they really want or need you?
- Has the position been open for a long time?
- What time commitment will be required of me to be successful?
- Are the skills I bring in high demand in the marketplace?
- Are there many candidates with my skills?
- Do I know the value of the job in the marketplace?



Comparative Research

Comparatively researching competitive salaries helps you to determine value. Below are a number of websites and other strategies for collecting information.

- Visit the organization's competitor's websites to see if they post salaries.
- Professional associations: If you are a member of a professional association for your industry, contact your local chapter. To join or gain information, visit your public library and ask the Reference Librarian for The Encyclopedia of Professional Associations. A local chapter can typically provide you with all the up-to-date information you need. You can also find various search engines for associations. A link is not included as they seem to change regularly.
- Contact your local employment / unemployment office. They typically maintain data on salary averages for the area.
- See the book: The American Almanac of Jobs and Salaries by John Wright. It is updated annually and should be available at your local library.
- Career One Stop: <https://www.careeronestop.org/Toolkit/Wages/find-salary.aspx>
- Salary.com: <http://salary.com/>
- Payscale.com: <http://www.payscale.com/>
- Occupational Outlook Handbook (Earnings): <https://www.bls.gov/bls/wages.htm>
- U.S. Office of Personnel Management Salaries & Wages: <http://www.opm.gov/oca/12tables/index.asp>
- JobSmart Salary Surveys: <http://jobstar.org/tools/salary/index.php>
- CareerOneStop Salary and Benefits Information: <http://www.careeronestop.org/SalariesBenefits/SalariesBenefits.aspx>
- National Association of College and Employers: <https://www.naceweb.org/job-market/compensation/>
(Annual summary of employment outlook and starting salaries for new graduates)
- Robert Half International Salary Guides (accounting, finance, financial services, technology, legal, creative positions, administrative jobs) <https://www.roberthalf.com/salary-guide>

Timing

There are times when an excellent candidate is introduced into the process and the hiring manager offers a higher salary and/or higher job title. If you introduce salary too early in the process, you are relinquishing that power.

And this brings us to the next critical point.

You should never bring the topic up!

Never, never, never bring up salary questions until you have a job offer!

Defer and deflect whenever possible.

But, if they bring it up, you have to address it, even though it is inappropriate early on. If you must reply, a good delay tactic is to provide a wide salary range when asked.

In the early stages of the interview, wanting to know your salary requirements is simply a “screening tool.” In other words, they want to know if your salary is realistic for the position – is it too low (meaning you aren’t as qualified), or is it too high (perhaps overqualified or deserving of a higher level position).

Never show your hand first. When speaking directly with employers never blurt out the remuneration you want. Instead when asked reply with, “I am looking for a fair remuneration based on duties and expectations for this role. What dollars have been allocated in the budget to cover this role?”



Recruiter Relations

There is some confusion in the marketplace today about recruiters and their role as an advocate for the candidate versus their role as a representative of the organization. Recruiters are hired by organizations to fill positions on their behalf. This can make relationships with recruiters complicated for jobseekers.

Although there is an economic benefit for recruiters to negotiate the optimal salary on your behalf (because recruiters get paid a commission based on a percentage of your annual salary as a commission), they will always try to find the absolute best fit for the organization FIRST. They need to feel confident that you, as the jobseeker, are competent and worthy to present to the organization. They will not try to undersell you as it will not benefit them; however, it is your job to ensure that recruiters don't try to sell you too high, or you might miss out.

Don't lock yourself into one figure when speaking with recruiters. When talking with recruiters who will represent you to organizations make it clear that you have a salary range dependent on the role and expectations. Give them your range and discuss (politely) that with each role they present you as a candidate, you both can formulate the best salary to be presented to the organization. You need to understand all aspects of the position before accepting an offer because what is written in the job description most times will be somewhat different from the actual duties.

Understand that the loyalty of the recruiter lies with the client/organization. It is critically important to maintain positive, polite, and cooperative communications with the recruiter. Under no circumstances should you ever circumvent the recruiter and go directly to the hiring organization because this will undermine your relationship with the recruiter and the organization. It is important that you honor the relationship between the recruiter and the hiring organization.



Job Offer Strategy

It is crucial to practice negotiation scripts verbally, even if you are just reciting it in front of a mirror. Confidence is essential for successful negotiations, and being caught off-guard and under-prepared is never conducive to getting the best possible salary.

Be sure you get everything you've negotiated with the employer during your interviews in writing. Oral commitments are not legally enforceable.

Many jobseekers approach this from the perspective of, "Once I get in there, then they'll promote me and pay me more when they see how well I do..." This is typically not good advice. **Your negotiating power is strongest before the contract is signed.** Once you have been hired, you may not get the opportunity to negotiate a raise until several months later.

Here is an example of this scenario:

One job candidate accepted a high-level position as Director of Marketing and Public Relations at \$90,000. The candidate said that she knew she probably could have asked for more, but it was so much easier to take their first offer because it was "acceptable." You may think that \$90,000 sounds good, but you might not think so if you later discover your colleagues are earning \$125,000 or \$140,000 for the same position.

Job Offer Evaluation Alternatives

The magic phrase in salary negotiations is: "*Is that negotiable?*" In other words, hiring decision makers and recruiters will expect that you will negotiate. In fact, it is a positive sign and shows your business acumen to do so. Unless you are being hired into a unionized position, it will be expected that you will negotiate.

If you are in the fortunate position to have had several interviews that have led to offers, you will need to make an important decision regarding what will be the best choice for you. Once again, this is where your research and knowing what is important to you will pay off.

Questions that can assist you in making a decision include which organization:

- Does it best represent my personal values and priorities?
- Am I drawn to most and why?
- Will it best support my career aspirations?
- Will it provide the best compensation offer?
- Does it have the best potential in the marketplace?



Your answers to these questions regarding the potential for promotions, training, compensation, marketplace, etc. are all based on your research.

Confident Position Articulation

You now have an offer. It's a great feeling to know your efforts have paid off. As mentioned earlier in this chapter, this is where your negotiating power is at its height. Describe how your particular achievements reflect your ability to make a tangible impact on the organization. Showcase your portfolio of accomplishments or work samples.

Regardless of whether you receive a job offer by phone or in a personal meeting, **express your sincere appreciation and excitement about the opportunity and indicate that you would like some time to review it in full.** Some offers have timelines built in, however, you will be informed of this by the person presenting should that be the case.

"Thank you so much, I am very excited about the opportunity to join _____. Your organization has a great reputation in the marketplace and I'm looking forward to making a positive contribution. Since this is a very important decision for me, I'd like to take the opportunity to make sure I understand the entire offer and consider all aspects."

If you have not received the offer in writing, it is appropriate to ask for that because it is the only way you can assess it properly.

Analyze the offer against your personal and professional criteria. If you have all the information you need to assess the offer, you can determine if it meets your needs or if you will be asking for more. If you believe you are missing some key information about the job itself or that aspects of the offer are missing, this is the time to make notes to ask for clarification.

Take time to consider everything that is important to you. At this time, it may be beneficial to discuss the offer with someone else that may know about job offers but not have a personal involvement with the decision.

When you are ready to negotiate the offer, contact the person who made the offer and indicate to them that you have considered it carefully, and reiterate your excitement about the opportunity. If all aspects of the offer meet your needs, let them know, sign the offer letter, and send it back to them in the manner they indicated. If you need clarification and/or believe you need to negotiate some aspects, indicate that you have a few items that need clarification and you would like to review them more in-depth.



“I am very excited about the opportunity you have presented me, and I’m looking forward to beginning my career with XYZ Organization. I do have one aspect within the role I would like clarified. I also have 2 items from the offer I would like to review your flexibility on – vacation and when benefits begin. Since we have reviewed these I’m ready to get started on _____ date.”

Next, clarify the role expectations if you have any. Once those have been addressed, you can move into the negotiation. Start by confirming what you are pleased with and then emphasize the contributions you are ready to make. When you begin to review your negotiation points, discuss the most important first.

“Thank you for clarifying that question (about the role). I am happy that you recognize my skills and have confidence in my abilities and that is reflected in the salary you are offering me. The compensation is very competitive and just one of the reasons I am interested in XYZ Organization. Considering the time I will be putting into my role here, having 4 weeks’ vacation is very important to me. Do you have flexibility in that area?”

Negotiate through that item and then move on to the next one. “The other aspect that is important to me is benefits. Is it negotiable to have benefits start right away rather than at 3 months?”

Negotiate through this aspect as well. When you are finished, thank the person for their time and consideration. If changes were successfully negotiated, ask for the updated offer for final review and indicate you will have it back to them quickly so you can get everything finalized and begin your new role. It is very important that you have all aspects of whatever you negotiated documented by the organization.

If you are directly negotiating with your new manager and don’t get it documented, the newly negotiated aspects may not be honored if your manager leaves and there is no documentation to support your assertions.

Negotiations are a compromise and you will likely not get everything you want. Knowing what is a “must have” versus a “nice to have” will help you make good decisions for yourself. Ensure that you don’t push too hard on an item unless it’s important enough that you are willing to walk away from the offer.



Professional Advisory Services

If you are negotiating a complicated job offer that involves a global assignment or other complicated types of arrangements, you may want to consider investing in professional advice. Lawyers, financial advisors, and actuaries may be able to help evaluate a job offer and the employment contract. Pensions, stock options, long-term incentive plans, life insurance, benefits, and international tax issues can weigh heavy on a decision to sign a seemingly attractive offer. Make sure that you take enough time to evaluate the offer before signing the contract.

Employment contracts are legally binding, and it is vital that you understand what you are negotiating. These contracts can be up to 30 or more pages long (although that would be an exception). Of particular importance is the termination agreement in the contract. There are many documented cases of expats living abroad who have been stranded financially upon the tragic death of the employed family member. In some countries, all benefits cease immediately upon death. It is important to you and your family to understand these components in full and an attorney can help with these.

When changing jobs, ensure that you negotiate the coverage of benefits in the period of time when you leave the former job and join the new one. This could be that 48-hour window when you have stopped working for organization A on Friday and don't start your job with Organization B until Monday. This period of time may be not covered leaving you and your family exposed in the event there is an accident or death over the weekend.



Competing Offer Turndown

“Once you have accepted the job offer in writing and have received confirmation that it has been approved it is time to close out other offers. Remember, these companies have spent a significant amount of time and energy trying to engage you as an employee. Ensure you continue with the professional and respectful relationship that you began to establish with them by using good business social graces and notify them that you will not be accepting their offer. Do that by calling to inform them and then follow up with a courtesy letter. Be sure they know you are not rejecting them but that you have accepted an offer that is a better fit for you.

It goes without saying that you should not tender your resignation to your current employer (if applicable) until you have received a written offer from the new employer.



Follow Up

After you breathe a sigh of relief and take a well-deserved break from your job search activities, you need to wrap up the loose ends. After turning down other offers, you need to contact any other organization that you may have been in the interview process with to advise them of your good news. It will also be important to contact everyone who has supported you in your job search, including those people that acted as references for you. For people who have made a significant contribution toward your goals of securing employment, consider treating them in a way that acknowledges your gratitude.





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Nancy started Solutions for the Workplace, LLC following her 30-year Human Resources career with the Federal government. Her career includes a broad array of Federal Human Resources responsibilities; she is an expert at assessing qualifications for federal jobs.

She uses her expertise serving as a Master Federal Resume Writer, Certified Employment Interview Coach, and Master Career Director to coach applicants on their federal job searches, teach them how to interpret Federal vacancy announcements, and demonstrate their competencies. She has an excellent success rate and a loyal client base.

Nancy is frequently invited to speak and regularly present on federal resume and SES writing at federal agencies around the country. She was a speaker at the 2013 and 2017 National Resume Writers Association conference, the 2019 and 2020 Career Thought Leaders Conference, and was also featured in the recent National Career Summit.

Nancy is the recipient of numerous honors and awards. She was nominated for a 2011 Toast of the Resume Industry (TORI) award and is the co-author of Writing Your NSPS Self-Assessment book.

She is a named contributor to Ten Steps to a Federal Job, The Book of U.S. Government Jobs, and Writing Your High School Resume, and has written numerous articles, book reviews, and booklets (“The Complete Guide to Writing a Federal Resume”; “The Complete Guide to Interviewing for a Federal Job”; “The Complete Guide to Making a Federal Career Transition”; and “Resume Writing Academy’s Federal Resume Writer Certification”). One of her articles, “It’s Not Just about the Paper – Interviewing for a Federal Job,” appeared in the Winter 2008 issue of Career Planning and Adult Development Journal. Nancy is Myers Briggs certified, holds a Master’s degree in Human and Labor Relations from Loyola University of Chicago and a second Master’s degree in Public Administration from American University in Washington, D.C. Her undergraduate degree is in history from Goucher College, Towson, MD.

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