

SALARY NEGOTIATIONS

College seniors and recent college graduates often wonder if they should negotiate their starting salary or accept the first salary and benefits package offered. Before you do anything, make sure you find out if the salary offered is competitive. If not, consider negotiating. Career Services conducted an informal survey among several companies who recruit on campus and asked each of them their opinion on salary negotiations. Here are the results:

- As long as nothing is stated up front that discourages salary negotiations, most employers in the survey do not mind when a candidate tries to negotiate his/her salary, as long as they are polite and do not issue an ultimatum. One employer suggests the candidate first ask if there is room for negotiations. If the employer says “No,” then it is unwise to continue the discussion. If, however, the answer is “yes,” then it is worth a try.
- If an employer states in the beginning of the interview process that salary is not negotiable, then it is unwise to try to negotiate.
- Employers generally have a set, non-negotiable salary level for entry-level positions based on careful research and the cost of living found in particular cities. Employers especially reported this to be the case for positions where they are hiring multiple candidates for the same position nationwide (i.e. development programs).
- In many instances, entry-level salaries are not a good indicator of your salary range 3-5 years after hire.

Below are additional suggestions that will help you to decide whether or not to negotiate your salary.

Salary Research

“Every job seeker can negotiate, but not every job seeker should negotiate. When deciding what is right for you, it is important to first have a clear understanding of your market value” (Anderson and Bennett, “The Art of Negotiation,” *Choices and Challenges: Job Search Strategies for Liberal Arts Students*, Indiana University, 1998, p. 157). What kinds of skills, education, and experience do you have, and what is the employer looking for? Preparing an answer to these questions helps you when the subject of salary is raised by a potential employer. You do not want to discuss salary without a clear understanding of the salary range and benefit package for this industry, job, and geographic region.

The following resources are useful when researching salary:

1. **National Association of Colleges and Employers (NACE) Salary Survey**—Each year, NACE surveys College Career Centers and compiles starting salary offers made to new graduates. The information is organized in a variety of ways: by major, by industry and by degree level. Career Services keeps the most updated version in the Career Resource Center.
2. **Dynamite Salary Negotiations**—this book by Ron and Caryl Krannich is available in our Career Resource Center. It goes into great detail about the salary negotiation process.
3. **Salary.com**—provides advice, articles on salary, and a salary wizard. In addition, you can search for salary ranges of positions in specific geographic locations.
4. **Vault.com**—Salary surveys for specific jobs, locations, and companies. *Career Services is a subscriber to Vault, and Vault's site can be accessed through Career Services' Web site (www.muohio.edu/careers/).*
5. **Wetfeet.com**—Salary profiles and salary data for specific job titles and years in a field. Wetfeet can be accessed through Career Services' Web site (www.muohio.edu/careers/).
6. Talk with people who have a job similar to the one for which you are applying, and ask them the salary range for someone with your experience.

It is important to understand that certain jobs in state and federal government, nonprofit organizations, and public education have salary ranges that tend to be non-negotiable, but you may still be able to negotiate within the accepted range. During a weak economy, when there are more job seekers than jobs, it is more difficult to negotiate salary and benefits with an employer. Be aware of job market conditions as you contemplate your negotiation strategy.

Salary Discussions

Keep the following tips in mind when discussing salary:

- It is best not to talk about salary prior to an actual offer of employment. An employer, however, may raise the issue early on in the process, or as a part of the employment offer. If the employer insists on knowing your salary requirements, give a salary range based on careful study of the typical pay ranges for this job, in this particular geographic region.
- Make sure you understand the overall benefit package (e.g., health insurance, vacation, 401(k)/403(b), pension plan, tuition reimbursement, domestic partner benefits, etc.) and factor this into the total compensation package. A larger salary with no health benefits may end up costing you more than a lower salary with health benefits. Also, take into consideration what you value. Will you have a short commute? Is the work interesting to you? Will there be opportunity for advancement?
- Know how much you need to make in order to pay your bills (e.g., rent, mortgage, car payment, insurance, student loans, etc.) relative to the location where you will live. Take taxes into consideration. Deduct 22%, on average, from your yearly income to determine your take-home pay. If the job does not pay you enough to live on, and you have no supplemental income, you should think long and hard about accepting the job. Do not volunteer this information to the employer. Student loans, credit card debt, or an expensive car or house payment are not a reason in an employer's eyes that you should receive a higher salary than someone else. You also do not want them to use the figure as a starting point for your salary discussions, especially if the amount is lower than they are prepared to pay.
- Be positive and flexible during salary negotiations. When surveyed most employers reported that salary negotiations are fine as long as students do not act entitled or rude. Discuss what you can do for the employer (i.e., your skills and experience), not how much money you need to live on.
- Request that the employer put everything in writing: job offer, starting date, salary, benefits, job title, and all other pertinent details. They may be reluctant to honor your request, but it is worth asking. If the employer demurs, send a letter confirming the details of the offer and request any clarification that may be necessary.

How to Answer Specific Salary Questions

The following* are typical questions you may encounter during an interview, but they are certainly not exhaustive:

Employer Question or Comment	Suggested Reply:
<p><i>“What salary are you looking for? or “What are your salary requirements?”</i></p>	<p><i>“I did some research for today’s interview and I believe that \$_____ to \$_____ would be a fair range.” or “What is the salary range for this position?” or “I would need to see the whole compensation package before I could answer that. Can we talk more about the other benefits being offered?” or “How much would someone with my qualifications and experience normally receive in this position in your organization?”</i></p>
<p><i>“We are prepared to offer you a salary of \$_____ a year. Is that satisfactory?”</i></p>	<p>(a) You can accept the offer. (b) You can negotiate for more money. Silence is an effective tool in negotiations so you might pause before answering. (c) You can ask for more time to think it over.</p>

* adapted from *Perfect Phrases for Negotiating Salary & Job Offers* by Matthew J. and Nanette F. DeLuca, The McGraw-Hill Companies, 2006, p. 49-52.

Salary negotiations are never easy, but it is worth spending time researching and thinking about your salary expectations and related compensation issues before you are faced with a job offer. You are encouraged to conduct additional research for a more in-depth understanding of the nuances of salary negotiations. The Career Services staff is available to discuss your concerns or help you plan your strategy.