

Salary Negotiation Scenarios & Quick Tips

APPLICATIONS/COVER LETTERS

Employer: "Please include your salary history/ requirements in your letter of interest."

- "I'd be happy to discuss salary as we get further along in our conversations about this opportunity."
- "My salary requirements are negotiable and depend upon the responsibilities agreed upon at the time of a job offer."
- "My past work experience as a college student was parttime hourly work, therefore my salary history is not included on my resume."

PRE-JOB OFFER INTERVIEW

Employer: "What are you currently making?"

- "Of course salary is important to me, but at this point
 I am much more concerned with whether or not I am
 the right person for the job and if this company and
 position is a good fit for me. Once we determine if I'm
 the right person, I'm sure we can come up with a salary
 amount that is satisfactory for both of us."
- "I would prefer to focus on my pay within your organization. Once we have come to an amount we agree upon, I will disclose my former salary."
- "Given the responsibilities of this job, I would expect this position to pay in the range of..."
- "After my review in four months, my current salary will be raised within the range of \$xx,xxx to xx,xxx."

Employer: "What are your salary requirements?"

- "I have found in my research that the salary range for this position is \$xx,xxx - \$xx,xxx. Taking this into account, along with both the needs of this organization and the experience and skills I would bring to this company, I'm sure we could find a salary both parties are satisfied with."
- "I would consider any reasonable offer."
- "I assume a range has been set for this position and wonder what the organization has in mind?"
- "Thank you for raising the issue of salary. Do you have salary curves or indexes in your organization? Could you tell me what you have in mind, based on that structure?"

Employer: "How do you feel about \$xx,xxx as a yearly salary?"

- "This amount seems to fit within the range that I would expect based upon my research."
- "While the amount appears to be within the range of what I would expect, I would need to take a closer look at the rest of the compensation package before I would be able to make a judgment about the salary."

OFFER SCENARIOS

Employer: "The salary we would like to offer you is \$xx,xxx."

- "Is this offer negotiable? How firm is that number?"
- "Could you tell me how you arrived at this compensation to make sure I understand the salary structure? I want this to work for both of us."
- "Could you tell me a little bit more about the benefits package for this position as well so that I can understand the offer more completely?"

Employer: "The salary offered is lower than you wanted."

- "Based on my experience in this line of work and my current salary, I was expecting an offer closer to \$xx,xxx."
- "Based on my research on salaries in this field and my understanding of the position responsibilities I wonder if you will consider a salary of \$xx,xxx."
- "At this time I have been offered positions with your company and another organization. I have an offer with XYZ company for \$xx,xxx...would you be willing to match their offer?"

Employer: "The salary is non-negotiable."

- "Would it be possible to complete a performance review after six months and revisit compensation after you have had a chance to see my performance in this position?"
- "Since it appears that the salary is not negotiable, would you be willing to look at providing three weeks of vacation rather than two?"
- "If the salary if non-negotiable would you consider discussing telecommuting or flexibility on benefits?"

Employer: "If I give you this salary, you would be the highest paid employee in this position in our company."

• "I appreciate the challenge that presents. Based upon my research, the range I've asked for is fair market value and reflects the contributions and value I bring to this position. What is a more realistic range that we can consider?"

Employer: "I don't have the budget for this high salary."

• "If that is the case, would you be open to us working together to identify ways to cover this salary this year or plan for increased funds for next year?"

Employer: "I will never be able to sell this to the boss."

There are two possible interpretations of this response. Either the employer agrees that you deserve this salary but can't sell it to the higher up, or the person is trying to avoid giving you the higher salary, and this is an excuse. Take the employer at his/her word. Perhaps say:

• "I've really appreciated your support throughout these discussions If you are open to even trying to sell this to the boss, I'll do everything in can to help you make a strong case."

Employer: "No."

Stay silent. An explanation may follow. Listen to the language that is used. It is important to note "can't" vs. "won't" here. If no explanation is offered, you may want to consider saying:

- "Is there any feedback you can give me on the best way to revisit this conversation at a later time?"
- "I appreciate your consideration, can you explain why?"

At this point you should know whether or not this is going to be the type of company you would like to work for. In a professional way you can politely thank them for their offer and time but tell them unfortunately you cannot accept at this time.

Employer: "Yes."

"Thank you. I would like to now discuss benefits."

BENEFITS QUESTIONS

- "How much does the employee contribute to the listed benefits? (out of paycheck, co-pays, deductibles...)"
- "Is there a time delay before receiving benefits?"
- "What physicians/clinics are covered under medical/ dental plans?"
- "What medicines/medical services are not covered under medical plans?"
- "What is the % of matching for 401K or retirement plan?"
- "How long until the company will match my contributions?"

SAMPLE OUTLINE OF A COUNTER PROPOSAL LETTER

If you communicate better in writing, draft a counter proposal letter to maximize your likelihood of successful negotiations.

First Paragraph:

Statement of interest and enthusiasm for the position and what you will bring to the company.

• This paragraph is critical in setting up the tone and direction of the negotiations. Be direct and sincere in expressing your interest for the company, thanking the employer for the job offer. Be sure to follow-up with your key selling points—how you will make a direct and immediate (and longer-term) impact on the organization.

Second Paragraph:

Negotiating Item #1 - Offer and Counter Proposal

Restate the particular point from the original offer that you
wish to negotiate, followed by your counter proposal—
ideally supported through research and a desire to be fairly
compensated or reinforced by the value you will bring to
the company.

Third Paragraph:

Negotiating Item #2 - Offer and Counter Proposal

Fourth Paragraph:

Negotiating Item #3 - Offer and Counter Proposal

Concluding Paragraph:

Conciliatory comments with strong moving-forward statement.

- Stress that your requests are modest and that your potential impact is great—and that you look forward to accepting the job offer and getting a jump-start on the position as soon as possible.
- You can also include paragraphs for items of the original proposal that you completely agree on—doing so makes the letter seem more balanced and that you are not picking apart the entire offer.
- You can also include paragraphs for any items in the
 offer that you need clarification or where you are seeking
 more information, typically for complex issues such as
 confidentiality and non-compete agreements or bonus plans.

<u>Source:</u> Adapted from "Quintessential Careers, Job Offer Too Low? Use These Key Salary Negotiation Techniques to Write a Counter Proposal Letter" by Randall S. Hansen, Ph.D.

SAMPLE COUNTER PROPOSAL LETTER:

Mr. Frank Ian Director, Industrial Systems General Electric Company 41 Woodford Avenue Plainville, CT 06062

Dear Frank:

I am excited about the offer you extended on _____ and look forward to accepting it. I feel confident I will make a significant contribution to the growth and profitability of General Electric's Industrial Systems division over the short and long term. The terms you have described in the offer are acceptable. However, I would like to propose the following:

Base Salary: \$55,000 per annum.

The research I've done on comparable salaries and cost of living differences between Clemson and Plainville show that a base salary of \$75,000 would be the market value of my experience for this position. The current offer of \$55,000 would result in a dramatic reduction in living standard. Based on the above, I would like you to consider as a compromise a base salary of \$65,000 per annum.

Bonus Opportunity: 3% of quarterly team results above stated quotas.

Because I expect to have an immediate impact on both cost-savings and increased sales revenues, I would like to suggest increasing the bonus percentage 6% of results above quota.

Relocation Package: GE will compensate up to \$10,000 for your reasonable costs incurred for relocation to Plainville, CT. Furthermore, GE will provide temporary living assistance and reimbursement for any commuting for up to six months from date of hire.

I feel your relocation package is quite generous and I appreciate the company's policy.

Stock Option Plan: Developed and implemented after one year of service. If this policy is standard for all employees, I can accept it, but again, I am convinced that I will make an immediate impact on a key division of GE, and I would like to see the stock option plan developed in the first six months of employment.

Benefits Package: Standard employee benefits package.

In discussing the standard benefits package with Jim Cline in HR, I am quite pleased with the GE benefits package. I would only ask that the waiting period for these benefits be waived.

Start Date: July 15, 2016.

I am actually available to start to telecommute as early as next week—as soon as we agree on the final aspects of the offer.

I look forward to discussing the above terms with you personally. I am confident we can reach a mutually agreeable offer. I am prepared to hit the ground running as part of the GE Industrial Systems team.

Sincerely, John Green