

SALARY NEGOTIATION

Whether you are negotiating for base salary, bonuses, benefits, stock options or other incentives – every negotiation begins with two major components; planning and communication.

PLANNING

Planning is the research and strategy phase. Jumping into negotiations without first doing your research could have negative effects on landing the position. Before starting negotiation talks with your potential employer, gather information, plan your approach, consider different alternatives and viewpoints and prepare your strategy.

Research the market thoroughly: Look at recent salary surveys, talk to others working in the field and contact trade or professional associations to have an understanding of what your peers at competing organizations make.

Know your market value: Understand your strengths and resources to be able to respond to the needs of the employer. It will enable you to assess your bargaining position more accurately.

Know the job: Be clear on how your skills benefit the organization. If you don't have a lot of work experience, try to identify the needs of each person who interview you and how you are a solution to their problems/challenges. Then, when you are negotiating, you have specific data about how you will add value.

Know what you want: Do a cost/benefit analysis to determine the best opportunity for you. Consider all appropriate elements, including: cost of living and expenses for the area.

Prepare a solid negotiation strategy: Your negotiation strategy must be fully thought out and have data to support the case you are presenting. You must be able to respond to different scenarios or questions from the employer. For example, what if the employer finds your request to be too high? How will you respond?

COMMUNICATION

Negotiations should begin only after you have received a formal offer, preferably in writing and researched what the market will pay for your services in this field. Once you are clear about the initial offer and feel confident in your research, you can begin negotiation talks which include an information exchange and agreement between you and the employer.

Be flexible: When going through a negotiation you aren't likely to get the exact offer you have proposed. Consider offering a range. You will probably have to compromise. The important factor is to figure out how much you are willing to compromise and what you will do if they don't suggest an offer you find acceptable.

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Make your value visible: Stress what you have to offer the employer and why you are the person for their job. Explain why you feel you deserve a change be made to the original offer by pointing out your accomplishments.

Share research on fair market value: Inform your employer that you have researched the competitive and fair market salary for this position and taken into account the responsibilities, skills required, and geographical area. Describe where your abilities and qualification place you in the range.

Negotiations include several areas: Start with negotiating your basic salary first and then move on to the benefits, including vacation time. Weigh the financial value of the benefits offered as part of your gross income. Prioritize your interests and determine which of the benefits you are willing to negotiate.

Often recent grads don't have the experience or the expertise to engage in salary negotiations. However, there are exceptions.

- You have relevant work experience (internships, summer jobs, etc.) that positively impacts your ability to do the job.
- You have a particular technical expertise, which is in high demand.
- You have an advanced degree in a specific and sought-after area of expertise.
- You have a written offer from another company that proposes a higher salary

Remember that the negotiation is not about win/lose. It is a two-way process where you and your prospective employer are each trying to get something you need. In a negotiation, you're both discussing how each of you will receive the maximum benefit from the final agreement.

RESEARCH SALARY INFORMATION

Several sites will give you detailed information about typical wages, benefits, etc., in exchange for detailed information about your training, qualifications and current job description. Stay informed about your value in today's job market, view a national range for your job and personalize the results to reflect what you should be paid: <http://www.salaryexpert.com/>

Virtual Negotiation at <http://salary.monster.ca/> contains several salary scenarios you may face when interviewing for a new job. This interactive section gives you the opportunity to test your answers in a safe environment so that when the real thing comes along you are confident and able to negotiate the best deal for yourself

Get accurate, real-time salary reports based on your job title, location, education, skills and experience. <http://www.payscale.com/>

Job Futures is a career tool to help you plan for your future. It provides useful information about 265 occupational groups and describes the work experiences of recent graduates from 155 programs of study. <http://www.tcu.gov.on.ca/eng/labourmarket/ojf/>

Learn how to negotiate: <http://www.negotiations.com/articles/geeks-earning-more/>

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USE INSTITUTIONS

Specialty schools can be great sources of information about the industries for which they prepare people. Ask the program coordinators what are typical salaries in the field.

RESPONDING TO A SALARY RANGE IN A COVER LETTER

State in your cover letter something along these lines: “I am most interested in the opportunity. My salary requirements are negotiable based upon the position and the overall total compensation package, including benefits.”

If you have some experience you may want to use: “My past positions have ranged in salary from X to Y, but I do not have a firm ‘salary requirement.’ I am more interested in speaking with you about the opportunity. Once I fully understand the opportunity and we mutually determine that I am a good fit for the position, I am confident we can negotiate a reasonable salary.” At least this response indicates that you expect to be able to negotiate later.

If you reveal a definite salary figure, you may be forced to stick with it if you receive an offer. Answer broadly, providing a salary range if absolutely necessary, and indicate that your final salary requirements would also depend on the value of benefits, the details of your responsibilities and other compensation such as vacation time.