

Salary Negotiation

A presentation from the
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go.osu.edu/alumnicareermanagement



THE OHIO STATE UNIVERSITY

Your Career Management Team



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- **Programs/Resources**
 - Web resources, job board, webinars, programs, career fairs, individual career advising (in-person and remotely). Visit: go.osu.edu/alumnicareermanagement for more info
- **Career Changes**
 - Launching
 - Transition
 - Underemployment
 - Unemployment
 - Encore Career
- **A Lifelong Process**
 - Assessment
 - Exploration/Research
 - Personal Branding
 - Networking/Job Search
 - Professional Development



Overview

Why (and when) you should negotiate

Research and Preparation

Assessing an offer

The negotiation process

Q&A

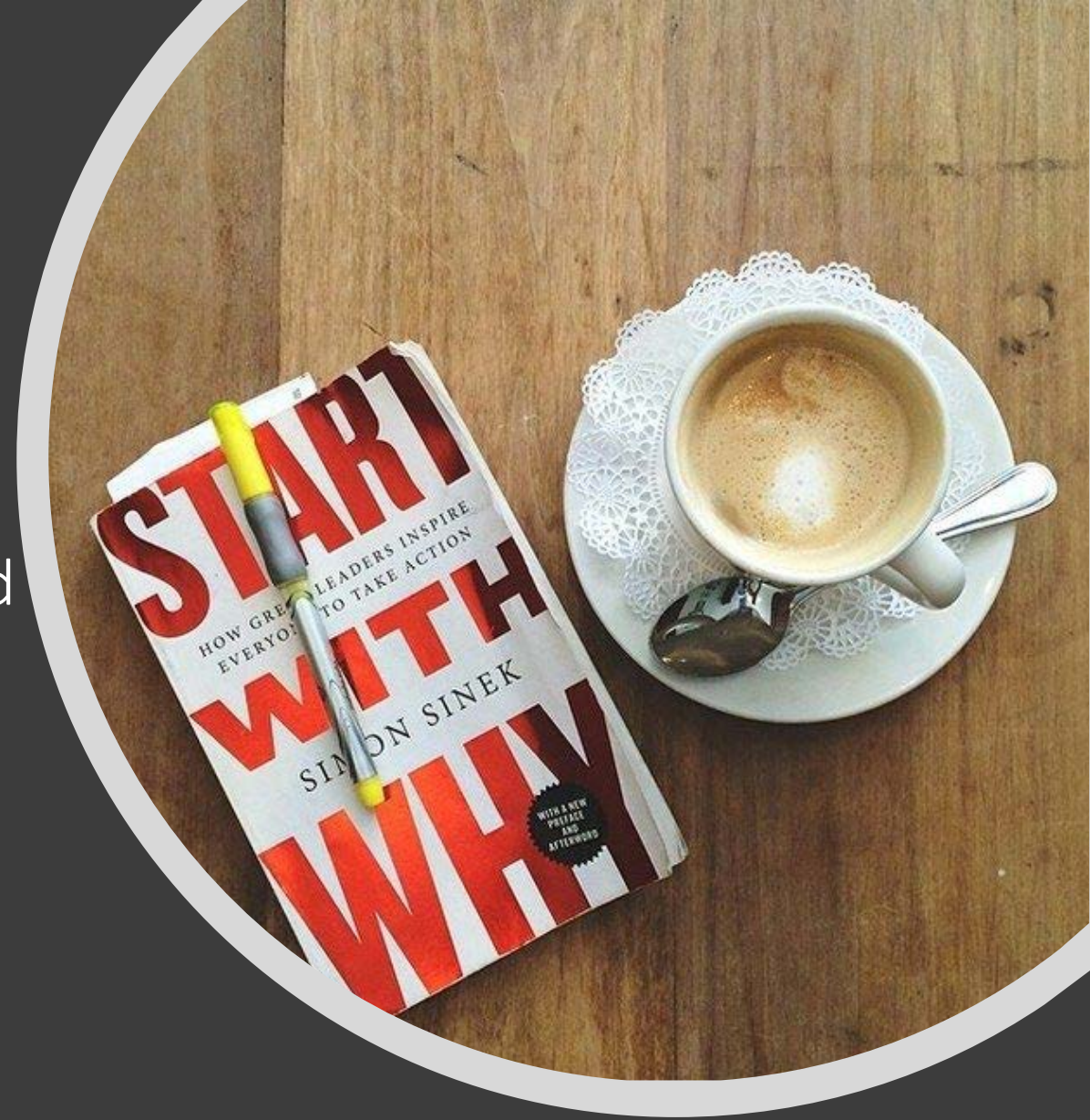


Why Negotiate?

- Accomplish a “win-win” scenario
- Achieve market value – you deserve to be paid what you’re worth!
- Most employers expect it – you could be leaving money on the table

When to Negotiate?

- Negotiation begins upon offer
- Range may be discussed earlier





80% of the work of negotiating should be done before you walk into the room.



Overcoming the
FEAR FACTOR –
negotiation doesn't
need to be **SCARY**

1. RESEARCH
2. STRATEGIZE
3. NEGOTIATE

Do Your Research – Know/Understand Your Worth

- Research your market value using:
 - Salary sites
 - Professional organizations
 - Informational interviews with people in the field
- Factor in the cost of living for your area
- Network within the company – especially with people in comparable positions
- Work your personal budget – what is YOUR minimum?

In your research:

- **Ask:** What is the general range for this position (within the company and within the industry)?
- Reach out to alumni, friends, colleagues within your network that you have good rapport with.

Sites to assist in your research

www.salary.com

<http://www.salarylist.com/>

<http://www.payscale.com/>

<https://www.glassdoor.com/>

Cost of Living Calculators

<http://www.payscale.com/cost-of-living-calculator>

<http://www.bestplaces.net/cost-of-living/>

Caveats for Negotiation – Things to Keep in Mind

- Company pay and market value are not always the same
- Gaining market value begins with the first interview
- Negotiation is objective – don't make it personal
- Look at the whole offer – this is about more than just a paycheck
- Attitude and preparation are necessary for success



Offer extended – now what?

1. - Don't accept immediately –ask for a few days to “digest”
2. - Talk to a career coach or mentor/advisor
3. - Know where you stand:

Ideal salary: \$ _____

Fair and Reasonable: \$ _____

Walk-Away: \$ _____

Where does the offer fall? Is there room for compromise?

4. - Build a case for your counter offer

Get information on the company's current challenges, goals, and pain points
Identify your valued skills – how can you help the company meet its challenges?

Assessing an Offer

- Acknowledge offer with appreciation and clarify decision time frame.
- Cultural fit and genuine enthusiasm for the job should outweigh salary (consider other factors of importance).
- More than a \$5K difference in offer and target salary may require creating higher and more sustainable value.
- Assess status of your job search.
- Remember who is the buyer and seller– not what you need, but what you are worth.
- What is the future salary potential?

Possible Benefits – Total Rewards Package

- Bonus—signing, moving, resources (office, cell phone, computer, etc.)
- Cafeteria insurance plan—you pick the insurance benefits you want
- Car, car allowance, car insurance, car maintenance, mileage, expense account
- Health club memberships or discounts
- Defined benefit plan, i.e. pension plan
- Defined contribution plan, i.e. 401K
- Dental/medical/optical insurance—note deductibles
- Educational assistance programs; tuition reimbursement
- Employee assistance program (EAP)
- Lower interest corporate credit cards
- Life/accidental death insurance
- Paid sick leave
- Personal days off, compensation days, flex days, etc.
- Profit sharing and stock options
- Short- or long-term disability compensation plans
- Step contract (after 3 months review/salary increase, etc.)
- Review dates (60, 90, or 120 review, for example)

NEGOTIATE

- Who will you negotiate with? (Schedule with this person)
- What will be on the table? Define your priorities– “tiered approach”.
- Develop a range of salary you will accept (walk-away against highest factual salary figure). Be prepared to back up any data point.
- Focus on your goals, not on winning. Alienating your future employer never a good idea. ROI more important than NPV.
- Even if you’re nervous, avoid talking too much – you may talk yourself out of what you want.
- Have them make the first counter-offer. (Provide range if pushed)
- Magic question #1 (“How is the salary offered determined?”)
- Magic question #2 (“Can I have a day or two to think it over?”)
- Leverage of another offer (don’t use this unless you are prepared to follow through). Previous salary only helpful if in your favor.

Take Aways

- Do Not

- Discuss salary until the position has been offered to you

- Do

- Postpone salary talk until you have time to sell yourself
- Practice
- Ask for a day or two to decide on an offer; if they refuse, this may not be the right company for you
- Take notes during a salary negotiation

- Continue Selling Yourself

- Confidence is important. If you appear nervous while talking salary, it is apparent that you are not completely sure you deserve what you are asking for.

- Timing Is Everything

- When the employer has offered you the job, you have more negotiating advantage, because the employer knows you will be an asset to the company.

- Maintain the Proper Attitude

- Be enthusiastic, polite and professional. This is not a competition!

Questions?



To access our online resources, visit: u.osu.edu/alumnicareermanagement (Coach's Corner blog & podcast)
go.osu.edu/alumnicareermanagement (office website)