

# CAREER SEARCH AMERICA

CAREER TRANSITION TOOLBOX WHITEPAPER

## SALARY NEGOTIATION:

KNOWING WHEN, WHY AND HOW TO  
NEGOTIATE YOUR SALARY



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## INTRODUCTION

Don't get spooked by salary negotiation. Sure, it may seem like one of the toughest things you have to do. But that is most likely because you are unsure about how to conduct a salary negotiation or when it makes sense to negotiate. Furthermore, as a transition veteran, the very idea may be completely new.

It's not an easy process, though. You do have to be careful because there is room for error on both sides of the negotiation. You might ask for too little and end up underselling yourself; or you might ask for too much, and knock yourself out of the running.

So how do you navigate the tricky task of salary negotiation? As with most things in life, the answer is really quite simple when its broken into a few handy steps.

### DO YOUR HOMEWORK

The goal here is become familiar with the overall direction of the job market. Where are opportunities to be found? Sure, there's a recession on, but some areas of the economy are holding their own or even growing. Information Technology, for example - specifically, computer networking - is expected to continue to grow for as long as anyone can predict.

Think about overall trends. Technology isn't the only trend to watch. Demographic shifts at home and abroad, changing consumer preferences, political developments and even natural disasters all have an impact on the number and type of jobs available.

But "doing your homework" doesn't mean reading through textbooks or mind-numbing industry reports. At the most basic level, it's as simple as talking to your friends and people you know in the business world. Find out what's happening in their industry. What are the important trends in the economy that may affect their business? Are they dealing with the challenges of expansion? Or are they trying to survive in a shrinking marketplace?

### ASK FOR AN INFORMATIONAL INTERVIEW

An informational interview is really a networking process whereby you gather important and invaluable knowledge about a type of business or industry from a working professional. It's not a job interview. It is mainly a way for you to gather facts and knowledge.

Why do an informational interview? For one, it's a great way to polish your interview skills. While you are there, you can work to discover insights into industries and specific companies. These will always be useful to a person in the middle of a career change. Finally, and just as important, it's a great way to make new professional contacts. An informational interview is a chance to share your skills in a situation that isn't pressure-filled but could really pay off later. Remember, most people enjoy helping others when approached in the right away. They're flattered to be thought of as an expert, as someone in-the-know.

### FOCUS ON TRANSFERABLE SKILLS, NOT YEARS OF WORK

In all your discussions--from your first networking conversations to the final job interview--you want to focus on your transferable skills, achievements and accomplishments. Then, when it comes to the salary negotiation itself, articulate what you have that is unique and uniquely valuable to your next employer.

Here's where you get the chance to blow your own horn. Do so confidently. But remember, this isn't about bragging; it's about building your "value proposition" what you'll be worth to the company. Be selective in what you choose to highlight so that your qualities with the greatest market value don't become overshadowed by less relevant information.

Keeping your focus on your transferable skills will help you avoid the trap of estimating your value based on the number of years you've worked. It's not about that, and don't allow an interviewer to see you that way. It misplaces the focus of your interview and salary negotiation, and diverts attention from what really matters. After all, it's what you can do that matters, not how long you may or may not have been doing it.

### DON'T BE THE FIRST TO INITIATE A SALARY NEGOTIATION

Many people are timid when it comes to talking about their salary expectations. Some, on the other hand, aren't timid enough. There is a gray area you will have to overcome here, but two rules will help you avoid mistakes. Don't ask about the salary "point-blank" and have a strategy in you mind about salary negotiation before the actual discussion begins.

Generally, you should wait for the interviewer to bring up the subject of salary. If you do need to raise the subject, do so tactfully. Don't try to pin your interviewer down to a specific annual salary, focus on salary range instead. Ask the following: "When you decided to fill this position, you established a salary range for this position. Will you share this range with me?"

The person who talks about money first, loses. Here's why: If you're the first to bring up the subject of money, you risk portraying yourself as someone for whom money is the only thing that matters. When you do this, you're likely to put yourself out of the running.

### KNOW WHEN TO SAY YES AND WHEN TO WALK AWAY

Before you decide if the salary range or your place on the salary range is not what you're looking for, you should look at the whole compensation package. Once you know what the entire compensation package contains, compare it to what you what to get from your next position, both monetarily and otherwise.

One thing to consider is your overall career development. Will there be opportunities for you to grow and increase your skills and future value? The work environment is also important. Work environments include both the physical and the intangible surroundings of work. Is this a place where you're going to enjoy spending time? Think of everything: the people, the dress code, the culture. If it matters to you, it matters for your career.

Location and daily duties are important as well. Where will you work and what will the routine be like? Will you feel productive and motivated? Can Picture yourself in this setting? If not, ask yourself if compensation will overcome these concerns. If you can, ask yourself if you are willing to give up some compensation to have these advantages.

Finally, ask yourself: "Would I take this opportunity if I couldn't negotiate another dime? Is there enough in the whole package to make it work?" If the answer is no, walk away. You won't be happy.

### WHAT TO DO WITH THE FIRST OFFER, AND WHEN TO ASK FOR MORE

You've been given an offer. Congratulations! No matter how desperate you are to say "Yes!" ask for time to think things over, and make sure you respond within the time frame you are given.

As you move toward your final decision, make sure you've carefully considered all the related aspects of the compensation package that may not have come up in the actual salary negotiation itself. These include: promotion opportunities, health benefits, paid holidays, tuition reimbursement. Don't over think, but do be deliberate. A little forethought can save you from embarrassing and difficult conversations later.

In the current state of the economy, many job seekers forget about salary negotiation and gladly accept whatever they can get. Don't make that mistake either.

True, you're going to have to gauge the willingness of the hiring manager to consider giving you more to get closer to your desired level. But don't forget that in most cases, the company always starts low to give itself some negotiating room, and the manager may be able to offer another between 10-20%. If that doesn't work, see if there are other aspects of the compensation package that they might be willing to improve in your favor.

## SUMMARY

Sometimes, deals fall apart. It can happen at any stage of the salary negotiation. But that's not necessarily bad. If it should happen, don't turn negative. Thank the hiring manager for his or her time; your paths may cross again.

At all times, remain enthusiastic and positive. The person who did not offer you the job may very well recommend you to other peers in the industry.

## KEY TAKE-AWAYS

- Research, research, research. Know the salary range for every job you interview for.
  - Line up information-only interviews
  - Focus on your transferable skills and your immediate value to the company.
  - Learn how to address salary questions in a job interview
  - Don't accept a first offer. Hold out for the best deal possible.
  - Never burn your bridges. Leave every interview on a positive note.
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