

## *Salary Negotiation*

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It's all negotiable. Every new job - every performance review, in fact - is an opportunity to negotiate base salary, various kinds of bonuses, benefits, stock options, and other incentives that add to job satisfaction and provide financial security. Taking control of your job search before your job offer and conducting a smart search that takes into account more than just financial considerations can also lead to that elusive condition called happiness.

Are you prepared to negotiate for happiness? The negotiation process is an opportunity to define, communicate, and achieve what you want out of your job offer. But to get offered the right job that pays what you deserve, you'll need to do your homework. The first step in the negotiation clinic is to understand the negotiation basics.

Negotiation requires gathering information, planning your approach, considering different alternatives and viewpoints, communicating clearly and specifically, and making decisions to reach your goal. In her book, *Job Offer! A How-to Negotiation Guide*, author Maryanne L. Wegerbauer describes how each party in a negotiation can fulfill specific needs and wants of the other party, a concept called "relative power." According to Wegerbauer, understanding your strengths and resources; being able to respond to the needs of the other party; and knowing your competition enable you to assess your bargaining position more accurately.

### **Learn the power factors**

What is your power over the other side of the table? Relative power, Wegerbauer says, is a function of the following.

#### *Business climate factors*

- Overall state of the economy and the industry in which you compete
- Overall unemployment rate and the general employment picture
- Demand for industry- and profession-specific knowledge and skills

#### *Company factors*

- Profitability
- Position in the business cycle (startup, growing, stable, turnaround)

#### *Hiring manager factors*

- Urgency of the company's need to fill the position
- Decision-making authority
- Staffing budget

#### *Applicant factors*

- Other opportunities in the job offer
- Technical expertise, unique knowledge/skill set
- Resources (financial depth, networks, etc.)
- Level of competition/availability of other candidates
- Career risk of the job offer

### **Plan and communicate**

A negotiation is composed of two major steps: planning (research and strategy) and communication (information exchange and agreement). In the planning step, get as much information as you can up front and, using both the company's written and unwritten signals, map your skills against what the company values.

### **Give it time**

Timing is also important. Remember that the best time to negotiate is after a serious job offer has been made and before you have accepted it. Once you are clear about the initial offer, you can express interest and even enthusiasm, but ask for more time to consider the job offer. Wegerbauer suggests that this request is made "in light of the importance of the decision." Sometimes you can split up the negotiating session into two meetings: one to firm up the job design and responsibilities and the second to go over compensation and benefits. The key message here is not to make an impulsive decision. If they really want you, there's time.

### **Consider the alternatives**

You should be prepared with a rationale for everything to strengthen your position. Counteroffers are an expected part of many negotiations, so be sure to remain flexible. Keep in mind that different companies can give negotiations more or less latitude. Smaller companies may be more flexible than large, bureaucratic companies. Unionized companies usually have very little room for individual negotiations.

### **Negotiate for a win-win**

Remember that the negotiation is not about strong-arm tactics or 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 designing the terms of a transaction so that each of you will receive the maximum benefit from the final agreement.