

Negotiating a Job Offer: How to Prepare

Receiving a job offer can make you feel excited and relieved. After the excitement, you may wonder whether this is the right job to accept. How do you decide what is right in an offer? What are the different dimensions of compensation that can be negotiated?

When negotiating, prepare to ask:

- How about considering other dimensions of the package, beyond annual salary and job title? For example, annual bonus, vacation, retirement plan, etc.
- What other differently structured compensation packages can you offer me? Do you have flexibility on: salary, signing bonus, annual bonus, or anything else?
- When you say that you would need approval from higher ups, who would that be and is it possible to get such approval now?

When negotiating, be prepared to answer:

- What is an acceptable offer for you? What will it take for you to accept employment with us?
- If we make you this offer, will you accept it right now?
- What other differently structured offers would be acceptable?
- What do you think is the fair-market compensation for someone like you in this industry and geographic area?
- How low can you go on each dimension of the compensation package, keeping in mind that lowest compensation on each dimension is acceptable? Which dimension do you wish to maximize?
- What other offers do you have? What compensation do they offer?
- If you have such better paying offers, why are you talking to us?
- By when do you expect to make your decision?
- Would it help you make up your mind if we arrange for you to talk to some of our senior executives?

When negotiating, consider these tips:

- **Show Interest:** “I am interested in the position. I would like to explore how this offer can be more attractive, so that it makes it easier for me to make the decision.” Communicate that you are interested in the position, if a reasonable compensation package can be offered.
- **Verbally Acknowledge Their Constraints:** “I understand that you cannot offer more than \$_____ for an Assistant Director.” Make sure they know that you understand their constraints. It shows that you’re listening, and that you’re willing to work around absolute constraints.
- **Explore Areas of Flexibility:** “I understand that you can’t offer me more in annual salary, but how about annual bonus?” Understanding where the employer can be more flexible is the key to formulating a package that would be attractive to you.
- **State Your Constraints, Avoid Absolutes:** Say something like: “It would be difficult for me to accept a position for less than \$30,000 in annual compensation,” instead of saying, “I can’t accept a position for less than \$30,000 annually.” It’s okay to let them know any specific constraints that you may have, but laying down absolutes may eliminate the possibility of gaining a lot more on some other dimension.
- **Offer solutions, Not Necessarily Specifics:** “Recognizing your constraints, I think that offer looks good if we can work more on the signing bonus and the annual bonus.” Help them, and yourself, make progress towards an acceptable outcome.

Sources: James ‘Stacey’ Edwards of Virginia Union University, ODU Career Development Services