

# Job Offer Negotiation Workbook

## Negotiation Definitions:

1a: a strategic discussion between two parties to decide a way that both [parties] find acceptable

1b: to arrange for or bring about through conference, discussion, and compromise

In short, salary negotiation is a rational process founded on personal values, individual needs, and other economic factors.

The basis of effective negotiation is a thorough analysis of information including base salary, as well as other elements such as bonuses, benefits, stock options, and other perks.

***“Do not engage in salary requirement discussions until you have received a job offer from a prospective employer.”***

Why, you ask? When you divulge a number, you can either price yourself out of the job before the employer is convinced, they need you, or you can underprice yourself and may receive a lowball offer.

Because salary often comes up at initial pre-screen interviews, I have provided a few acceptable responses to help you ad-lib any inquiries:

1. Although salary is an important factor, what I am interested in is learning more about the “opportunity”. Are you comfortable discussing salary later in the process?
2. I prefer to leave salary discussions open for negotiation until you’ve had a chance to review my qualifications and determine their match for your opportunity.
3. I noticed the range with your job posting and my requirements are within the posted range.

Waiting until you are offered the job gives you the leverage you need to negotiate for a salary that is market-competitive and a match for your skills and experience. However, sometimes you may encounter an insistent require who is keen to determine your salary requirements and my best guidance is to provide a broader range that is aligned to market.

## NEGOTIATION PROCESS

When you receive an offer or preferably “Multiple Simultaneous Offers” begin the following step-by-step procedure that will lead to greener pastures.

- Step 1.** Request all job offers in writing. Page 3
- Step 2.** Fill out the “Negotiation Worksheet” with the information from your offer. Pages 4
- Step 3.** Develop a list of questions and concerns that you are not able to find in your offer package. Page 6
- Step 4.** Call the company to clarify and/or find out all of the information needed to complete the Negotiation Worksheet. Page 7
- Step 5.** A quick reference list of recommendations. Page 8

## Step 1. Request your offer in writing.

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Generally speaking, offers usually contain the following information, however, keep in mind that each offer may vary because each organization is different:

1. A letter explaining the position you are being offered and the title and level within the organization.
2. Salary is usually monthly or annual increments.
3. Bonuses (if applicable, signing, performance, profit sharing, etc.)
4. Stock options (if applicable).
5. Relocation (if applicable),
6. The proposed start date of your employment.
7. The deadline for acceptance or rejection. (This is covered in detail on the Negotiation Worksheet.)
8. The package should also contain additional letters or pamphlets explaining the benefits packages and options.

Because most of the offers have a deadline, **the first thing many job seekers negotiate is MORE TIME.** Job offer responses can vary depending on the company and their specific circumstances, but that can be helpful. When you receive a job offer, it's advisable to respond within a reasonable timeframe. Here are some considerations for a job offer response times:

1. **Promptness:** Generally, it is best to respond within twenty-four (24) hours because it shows your enthusiasm for the position and respect for the employer's time.
2. **Communication:** Always express your appreciation for the offer and explain that you would like some additional time to carefully consider the details.
3. **Considerations:** If you need more time, it is acceptable to request it, but be specific with your request. This is especially important if you're waiting to hear back from other companies or you're in a multiple-offer situation.

Here are some general guidelines to put yourself in the employer's shoes when you are negotiating more time. Be mindful that employers have a need to fill the position and usually they have their own timelines to work with. Because of the dynamic organizational landscape, please review the types of offers that you may encounter.

1. **Verbal Offer:** This is an informal offer extended by a company to a candidate over the phone or in person. It's important to note that a verbal offer is not binding and it's typically followed by a written offer.
2. **Written Offer:** A formal document outlining the details of the employment offer, including salary, benefits, start date, and any conditions of employment. This offer is legally binding once accepted by the candidate.
3. **Conditional Offer:** A job offer is made contingent upon the candidate meeting certain conditions, such as a background check, reference check, and/or medical examination.
4. **Contractual Offer:** In some cases, particularly for freelance or project-based work, a company may extend a contractual offer outlining the terms of the engagement, including the scope of work, compensation, and other relevant details.

No matter which kind of offer you receive, a simple question can get you more time if you need it. Consider the following examples:

1. If I were to ask for one (1) more week to make my decision, would this offer still be good?
2. I am carefully evaluating your offer, but I want to discuss it thoroughly with my (family, spouse, and/or significant other) before I make this decision. Can you extend the deadline until \_\_\_\_\_?
3. As you know, I have several offers to choose from, and although I am leaning toward your company, I am still gathering important data that will help me make a better choice. Can I ask for an extension of \_\_\_\_\_ to make sure I make a thoroughly informed decision?

## Step 2. Fill out the “Negotiation Worksheet” with the information from your offer.

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Effective salary negotiation is a thorough analysis of information based on a rational process, founded on personal value, needs, and economic factors. Without a checklist of benefits that could be potentially available, your negotiation can be significantly limited. **So, use the worksheet!**

**This worksheet is designed to:**

1. Show you what might be contained in typical employment offer packages. It is in no way a complete list of possible options, perks, or benefits that may come your way because of occupational or industry affiliation.
  - a. Sometimes the salary offered may seem low, and you may wonder if you should turn down the job, but don't decide until you figure in the value of potential benefits and perks. They can add up to 40 percent to your base salary.
  - b. Some benefits are fixed, but others are negotiable. Negotiable benefits include stock options, bonuses, employee discounts, tuition reimbursement, vacation time and sick leave. Perks include company cars, club memberships, parking, expense accounts and use of the company accountants or staff attorneys for personal matters.
2. Allow you to display all of the important data for each offer on one page to compare and analyze.
3. Ensure you don't leave out important factors that may be weak in the offer and potentially yield other areas as negotiable. Below is a list of possibilities:
  - a. No “Signing Bonus” because the company doesn't pay one could lead to an increase in other areas of your package.
  - b. No “Relocation Allowance” because you are remaining in the local area could lead to a signing bonus.
  - c. Lack of or weak performance incentives could lead to an increase in salary when you stress your value or compare one offer to another.
  - d. Lack of or low-valued “Stock Options” can lead to an increase in salary because of the obvious lack of value.
  - e. Weak or incremental start and increase rates for a 401K can lead to an increase in salary because planning for retirement shouldn't be forced procrastination.
  - f. Weak or probationary period “Health Benefits” can lead to an increase in salary to make up for the personal loss you may incur by having to pay for COBRA, Annual Deductions, and general out-of-pocket costs.
  - g. Little or no corporate “Life Insurance” can lead to an increase in salary to cover your own limited personal policy.
  - h. Cost of living differences can lead to increases in salary, signing bonus, relocation allowances, and other benefits based on your personal or family needs.
4. The worksheet is also designed to make you evaluate factors that should be important in making a career decision such as family happiness, weather, availability of resources to support your interests and hobbies (not much snow skiing in Florida), opportunities for growth, career-enhancing, and tuition assistance for both personal and professional development. Use the worksheet! If you need more, just make copies.

# Negotiation Worksheet

Date of initial offer: \_\_\_\_\_

Negotiable items	Initial Offer from the Company:	Your response date:	Revised Offer from the Company:
Base Salary	\$ _____		\$ _____
Signing Bonus	\$ _____		\$ _____
Relocation Allowance	\$ _____		\$ _____
Basis for Performance Bonus / Commission	<input type="checkbox"/> Personal <input type="checkbox"/> Historical Data	<input type="checkbox"/> Team <input type="checkbox"/> Company	Formula _____ % _____
Performance Review	How Often # _____	Potential % salary increase	% _____
Relocation Allowance \$ Amount Offered \$ _____	Transportation Paid <input type="checkbox"/> Yes <input type="checkbox"/> No	Household Shipment <input type="checkbox"/> Yes Limit? \$ _____ <input type="checkbox"/> No	Temporary Lodging / Meals <input type="checkbox"/> Yes # Days allowed _____ <input type="checkbox"/> No
Stock Option Purchase <input type="checkbox"/> Yes <input type="checkbox"/> No	# of shares # _____	over # of years # _____	Shares _____ Years _____ # _____ # _____
Profit Sharing (401K) Start Date: _____ Vesting Date: _____	Company Match Yes / No If Yes, How much _____%	Does it increase over time? Yes / No How Often _____ How Much _____%	Pension (401A) Start Date: _____ Vesting Date: _____
Health / Dental Benefits	Start Date: _____ Out of pocket \$ _____	Life Insurance \$ Amount _____	Personal Cost <input type="checkbox"/> Yes If yes, how much \$ _____ <input type="checkbox"/> No
Vacation Days # _____	Holidays # _____	Accumulative? <input type="checkbox"/> Yes <input type="checkbox"/> No	Pay for unused days? <input type="checkbox"/> Yes <input type="checkbox"/> No
Cost of Living Index for Company Location # _____	Tuition Reimbursement <input type="checkbox"/> Yes <input type="checkbox"/> No	Value / Quality of Training program \$ _____	Rate: (5 Highest) 5 4 3 2 1
Intangibles Etc... _____	<input type="checkbox"/> Weather	<input type="checkbox"/> Family Happiness	<input type="checkbox"/> Personal Hobbies / Interests
Opportunity for Growth? <input type="checkbox"/> Yes <input type="checkbox"/> No	How Soon? -	Career Enhancing? <input type="checkbox"/> Yes <input type="checkbox"/> No	Personal Development? <input type="checkbox"/> Yes <input type="checkbox"/> No

### Step 3. Develop a list of questions and concerns that you are not able to find in your offer package.

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These questions will be easy because they come as a direct result of filling out the Negotiation Worksheet. Here is a list of potential questions:

1. What factors were used in determining your salary offer?
2. Do you offer a signing bonus? (If they didn't offer.)
3. Since my home isn't in North Carolina, can we discuss a possible relocation allowance to retrieve my household effects from storage?
4. Are there any bonuses?
5. Would you please explain how the performance bonus program works?
6. What was the average performance bonus last year?
7. Is there an opportunity for a profit-sharing bonus?
8. If yes, what is the basis for evaluation?
  - a. Personal Performance?
  - b. Team Performance?
  - c. Company Profit?
  - d. Historical data related to accomplishments?
9. When will I be eligible for a salary increase?
10. What incentives are available for a superior performer like me?
11. When will I receive a performance review?
12. I do have a concern about the relocation package because there are many expenses in moving that this offer will not cover. Is there room for improvement here?
13. Am I expected to use this relocation allowance for all of my transportation costs?
14. Can I receive any allowance for driving my personal vehicle to my new location?
15. Does this cover the shipment of household goods? Car?
16. Can I expect reimbursement for lodging while looking for permanent housing?
  - a. If so, what is the maximum time allowed?
17. Am I eligible for stock options?
  - a. If yes, how many and at what price?
18. Is there a 401K program?
  - a. If yes, is there a company matching percentage?
  - b. How long does it take to be vested?
19. Is there a 401A or pension plan?
  - a. If yes, how does it work and when is the vesting date?
20. I understand that Health & Dental Insurance are provided, but what are the potential out-of-pocket costs associated with the different plans?
21. Are vacation days cumulative, or is it a use them or lose them policy?
  - a. If vacation days are not used, can an employee be reimbursed for unused days?
22. Does the company have a tuition reimbursement program?
  - a. If yes, does this include repayment of loans I have already incurred?

#### Step 4. Call to clarify and/or find out all of the information needed to complete the Negotiation Worksheet.

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- Begin your conversation by letting the person you are talking to know that you are **not negotiating**, that you are only asking questions to clarify their offer.
- Let them know you are gathering data to make a careful and complete evaluation to compare their offer to others you have.
- The following are examples of questions that might be asked on an “as needed” basis, based on information that cannot be determined from the offer package. These are determined by evaluating data contained on your “negotiation worksheet” from the previous pages. The following statements are only suggestions but remember to update the negotiation worksheet with the answers you receive. These answers will be used to develop your negotiation strategy after determining which company you decide to negotiate with.

##### 1. Would you please tell me what factors were used in determining your salary offer?

- The answer you receive from this question will provide you with two things. One, if they thoroughly evaluated all of your qualifications. Two, information you need to stress any further qualifications you may have that might increase your value. “One student asked this question, and when the company reviewed their criteria, they found that the initial evaluation wasn’t completed correctly, and they made her a counteroffer without negotiation.”

##### 2. Is there room for improvement?

- a. (Be prepared to answer some of the following questions the employer might ask.)

###### *Why do you ask?*

- The main reason is to see if I provided you with all of my qualifications and, by understanding which factors you used, see if I there is anything else I can stress in my favor.

###### *What salary are you looking for?*

- I’m not negotiating right now, just asking questions to clarify all the information compared to other offers so I can make the best choice and determine where there are possibilities for improvements.

###### *What will it take to bring you on board?*

- First, I want you to know that although money is an important factor it is not the only factor in making my decision. I am carefully evaluating every offer I receive so I can compare the data and make the best choice with the most opportunity for my long term career goals.

###### **Do you have any other offers? (Don’t lie about this!)**

- No, but I expect some soon.
- Yes, I have several competitive offers.

##### 3. What is the maximum salary increase available for excellent performance?

- Make sure you find out if the company performance reviews are all done at a prescheduled date to determine where you stand in terms of how long you may have to wait for your first review.
- If performance reviews are completed in January and you must have a minimum of 12 months to be evaluated; by starting in the middle of the year you might have to wait more than 12 months to be evaluated.
- This is a reason to request a salary increase during negotiation and/or ask for an early review.

## Step 5. A quick recap of recommendations

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1. Avoid facing the salary issue until the employer raises the question about “your salary requirements”.
2. Deal intelligently with salary questions and issues by researching comparable salaries and employers.
3. Know how much you're worth.
4. Specify, “Salary is Negotiable” when asked, "What are your salary requirements?"
5. Know that your "qualifications" and "performance" will automatically determine your salary level.
6. Understand that employers do not predetermine salaries.
7. DO NOT under-value your worth.
8. DO NOT over-value your worth even if you think you are irreplaceable to the employer.
9. DO NOT think the employer is in the driver's seat when it comes to negotiating salary.
10. Approach salary negotiations from a perspective of need not greed and assign value to your qualifications and promises of performance.
11. Understand a salary range is assigned to the position.
12. Research and compile supporting facts for negotiating.
13. Learn how to close and follow-up on the salary negotiation interview.
14. Always calculate benefits as part of the compensation package.
15. DO NOT state a specific salary expectation figure on either your resume or in your cover letter.
16. DO NOT act too quickly to accept employers' first or second offers.
17. Know how to use timing as part of establishing your value in the eyes of employers.
18. Adequately assess the employer's needs and develop a strategy to meet those needs as well as relate this strategy to your salary requirements.
19. Raise intelligent salary questions about the job and the employer.
20. Know how to handle employers' salary questions.
21. Give yourself room to negotiate by stating a salary range instead of an exact number.
22. Know when to leave a job or company for opportunities elsewhere that are a better match of your career goals.
23. DO NOT try to play "hard to get" when you have little or nothing to leverage.
24. DO NOT lie about your past salary history or alternative salary offers.

### Definition Footnote

1a: Ask AI

1b: <https://www.merriam-webster.com/dictionary/negotiate>