

The "S" Word - Salary

Stephen F. Austin State University | Center for Career and Professional Development

Be aware that there is often little flexibility with starting salaries for entry-level employment. If you approach salary as something that you and the employer will agree on as mutually beneficial, your chances of salary negotiation success are greatly enhanced. It is important to be confident, enthusiastic, professional, and polite as you enter the ring.

When to discuss salary

Do NOT discuss salary (unless the interviewer broaches the subject) until you have been offered a position. However, if you are asked about salary within an interview (typically not the first), there are several ways you can answer.

How to answer the salary question

Option 1: Turn the question back to them. Example: "My salary requirements are negotiable as I am looking for the best overall opportunity for me. However I am curious, what is the hiring range that you have for this position?"

Option 2: Give them a salary range. Be prepared to back up your request with specific information about your qualifications and experience. Also be sure you've done your research on industry salary standards.

If the salary is not specified at the time of a job offer, it's time to ask.

Know yourself and your needs

Monthly expenses

List all your anticipated monthly expenses in a table (like the one below) to give you an idea of what salary you need to maintain your desired lifestyle. Make sure you consider the possible differences in cost of living. Use [Budgeting Basics](#) to discover your projected monthly expenses.

NOTE: Your paycheck after taxes is approximately 28 percent less than your gross monthly salary.

Your market value

What makes you competitive and marketable? There are no clear-cut guidelines for assessing your market value. Based on company research, your education and experience, and your skills and capabilities, you should be able to personally assess what you are worth.

Research salaries

In order to negotiate a strong offer, you must know current average salaries within the market. When you base salary requests on reasonable, factual data it strengthens your negotiating position. When researching average salaries for your field, develop a salary range, including a low, middle, and high figure.

Negotiating salary

When negotiating for the best possible salary and benefit package, it is important to continue showing the employer how hiring you will improve the organization's bottom line, services, image, etc. Remind the employer of transferrable skills you have that may save the company money.

Example 1

If the employer offers you \$35,000 and you believe you deserve \$38,000, ask for \$40,000 and then work backward toward your target salary

Example 2

If your research indicates that the average salary for the position is \$38,000, you might give the employer a range of \$38,000 to \$45,000. Aim for the top.

Consider benefits

Don't focus solely on salary, because most employers offer a range of other benefits, sometimes worth as much as 30-40 percent in addition to your actual salary. Negotiable benefits include stock options, hiring bonuses, moving stipends, employee discounts, tuition reimbursement, vacation, and sick leave. Perks include company cars, club memberships, parking, expense accounts, mobile phones, and laptops.

Know when to say when

If you feel like the employer is getting frustrated with your proposals or states that is all they can do for you, stop and evaluate what is on the table. When the company comes back to you with their final offer, be prepared to evaluate the offer and make a decision.

Practice

Rehearse the presentation in advance using another person as the employer. If you make mistakes in rehearsal, chances are that you will not repeat them during the actual negotiations. If this all seems like a lot of work, remember that if something is worth negotiating for, it is worth preparing for.

Put the offer in writing

After you have successfully negotiated the salary and benefits package, it is vital that you put your agreements in writing. Write down the terms such as salary, benefits, perks, job title, and starting date. This will provide a record in case there is a question in the future.