

SALARY NEGOTIATION – THE BASICS

- The aim of any negotiation, be it salary or whatever, is for both parties to walk away with a deal they are happy with. Remember that if you want the job it is more important to secure it than to squeeze your potential employer for every penny. You have to work with these people after all.
- Working with headhunters: If you are dealing with a headhunter, they will handle a lot of your negotiations on your behalf. He or she will be able to advise you on what sort of salary range the job should command. Do not be afraid to talk openly with your consultant about salary expectations. They can also help you from making a big mistake, either by undervaluing yourself, or by going in to negotiations with too high expectations. If you are working with a headhunter then, most of the issues or concerns of salary negotiation is handled for you.

“How much are you looking for?”

- At some point you will be asked this question. The key here is that you only answer in detail when
 - (a) Your potential employer knows they want you – more than any other candidate they are talking to.
 - (b) You have a good view of what the possible salary (and it might be a range) on offer for this position
- But what happens if the question is asked earlier? Essentially you need to avoid providing the detail, without appearing rude, indecisive or unhelpful. Of course only you can make a judgement about what kind of response would work in your particular situation but the following are some example responses:
 - (a) “I feel I need to find out more about the role and the company before I can give you a good answer to that question.”
 - (b) “I feel that I have strong skills and would hope that any offer would be competitive in the market, but right now I think I need more time to consider the detail.”

“What is your current package?”

- Again try to avoid answering without appearing negative. Example responses that work include:
 - (a) “I would much prefer to talk about salary details later in the process when we know more about one another - I don't want my salary to either qualify me in or nor out at such an early stage”
 - (b) “My current employer pays me a good salary for the job I do, but that is very different employer/position from the one we are discussing – I'd rather keep this out of the discussion until we find out more about one another”

When to discuss salary

- Not until they have gotten to know you, at your best, so they can see how you stand out above the other applicants
- Not until they have gotten to know you, as completely as you can, so you can tell when they are being firm, or when they are being flexible
- Not until you've found out exactly what the job entails
- Not until they've had a chance to find out how well you match the job requirements
- Not until you're in the final interview at that place, for that job
- Not until you've decided 'I'd really like to work here'
- Not until they've said 'we want you'
- Not until they've said 'we've got to have you'

EXECUTIVE CONNECTIONS

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Talking salary expectations

When you do get to the point of being ready to talk salary expectations, here are some things to think about:

- Understand the package, not just the base salary. Make sure you know what your current package consists of so that it can be properly compared to an offer you may receive. Base salary and car allowances are easy to compare, but less easy are factors like pension schemes, share options, shares, bonuses, equity and insurance. You may want to consider speaking to a financial advisor.
- Factor in risk. The more risky the business is, the more you would expect to see an upside in your remuneration.
- Compare: Take a look at similar job roles and the packages on offer. There is nothing more powerful – and confidence building - than having good data to back you up.
- Give a range, rather than a figure. When it comes to finally presenting your salary expectations, present these as a range, with the minimum your true minimum and the maximum being 5 – 10% more. Don't be tempted to give a larger range as it will look indecisive

SALARY NEGOTIATIONS – COMMON MISTAKES

- Discussing salary at the wrong time in the interview process
- Fail to deal intelligently with salary questions and issues by not doing research on salary comparables and employers.
- Don't know how much you're really worth.
- Specify a single salary figure when asked "What are your salary requirements?"
- Think salaries are predetermined by employers.
- Believe you are indispensable to an employer who will give you substantial raises rather than risk losing you to the competition.
- Under-value your worth.
- Over-value your worth — maybe even think you are the only choice for the employer.
- Think the employer is in the driver's seat when it comes to negotiating salary.
- Approach salary negotiations from a perspective of need or greed rather than as a process of assigning value to your qualifications and promises of performance.
- Personalize salary issues by believing a salary is assigned to you rather than to your position. Focus primarily on yourself rather than on the position to which salary is normally assigned.
- Fail to compile supports for a negotiating position.
- Prematurely discuss salary before acquiring information on the job or before communicating your qualifications to employers.
- Don't know how to close and follow-up the salary negotiation interview.
- Forget to calculate benefits as part of the compensation package.
- Put too much emphasis on benefits rather than concentrate on the gross salary figure.
- Project an image that is not commensurate with the salary being negotiated.
- Put too high a price tag on themselves without providing supports to justify the salary figure, such as previous salary history or indicators of performance.
- State a specific salary expectation figure on either their resume or in their cover letter.
- Negotiate salary and benefits over the telephone.
- Too quick to accept employers' first or second offers.
- Don't know how to use timing as part of establishing your value in the eyes of employers.

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- Fail to adequately assess the employer's needs and develop a strategy to meet those needs as well as relate this strategy to your salary requirements.
- Fail to raise intelligent salary questions about the job and the employer.
- Don't know how to handle employers' salary questions or say the wrong things.
- Don't give themselves much room to negotiate.
- Don't know when to leave a job or company for opportunities elsewhere that will pay better.
- Try to play "hard to get" when you have little or nothing to leverage.
- Lie about your past salary history or alternative salary offers.