

# Salary Negotiation



*Connecting students to global careers!*

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# SALARY NEGOTIATION

*Creating “win-wins”*



# The Goal of Negotiation

The goal of negotiation for you is ...

to maximize your potential earnings

to create a win-win situation between you and the employer

The goal of negotiation for employers is...

- to find a qualified resource at a good value
- to keep a selected candidate with the organization long-term



# Preparing for Salary Negotiation

When you beginning any salary negotiation, you should know:

- The difference between salary discussion and salary negotiation
- The risks of negotiating
- What questions to ask



# Salary Discussion vs. Salary Negotiation

Knowing the difference between salary discussion and salary negotiation can save you from embarrassment and lost opportunities

Salary discussion happens early in the process, usually during the interview

Salary discussion starts because the employer is trying to determine if they can afford you

How to do you handle it?

## One of the following 3 ways

1. State an acceptable salary range (example: I would anticipate making between \$60,000 and \$75,000 per year)
2. State that you would like to be compensated based on your experience
3. Ask the employer what is an acceptable salary range for the position



# Potential Risks of Negotiating

Salary negotiation can be risky and...

- Some offers are rescinded once you start negotiating (which means you do not have an offer until a new agreement is reached)
- Some offers are lost in the negotiating process



# What questions to ask

You should ask yourself the following questions before negotiating:

- What do I want to achieve by negotiating?
- Why am I negotiating?
- What will be the minimum that I will accept?
- Will I accept other benefits in lieu of a higher salary?



# Preparing for Salary Negotiation

## What you need to know before you begin:

- Know your market value
  - What are comparable salaries for your level of education & experience
- What do positions in the industry pay in your geographic region
  - Cost of living for position or headquarters
- How much do employees earn
  - Either starting salaries, mid-level or senior level ranges will work
- Where do you fit in the organization- is this an entry level, management or an executive position
  - What type of position is it and where is the position headed

## What you want to consider before you begin:

- Salary
  - What range do you have in mind? What are you willing to compromise & not compromise on?
- Benefits
  - What is the benefits package like? Does it include education, travel, parking, conferences, flex-time/shorter hours, child care, increased insurance, professional memberships, journal subscriptions, etc?
- Building your case
  - Do your homework. Know the real costs/value of these items
- Organization's culture & growth potential



# Places to Search for Information

## Professional associations

membership surveys

## Online resources

[www.salary.com](http://www.salary.com)

lists salary for various occupations by region

[www.homefair.com](http://www.homefair.com)

includes a cost of living calculator and information on relocating to a new geographic region

[www.salaryexpert.com](http://www.salaryexpert.com)

lists salary by various occupations by region

[www.salarynegotiations.com](http://www.salarynegotiations.com)

video tutorials on salary negotiating tips

[www.guidestar.com](http://www.guidestar.com)

website for gathering and publicizing information about nonprofit organizations

## Former and current employees

## Your network

- friends, colleagues, contacts made during information interviews

## HR pages of organization's website (less common at for-profits)

- Johns Hopkins University
  - (<https://hrnt.jhu.edu/compensation/salary/>)
- Fed. Government
  - ([http://www.fedjobs.com/pay/pay.html\\_](http://www.fedjobs.com/pay/pay.html_))

## Bloomberg School of Public Health Graduating Student Exit Survey

- *Prepared annually by Student Affairs*



# Bloomberg School of Public Health Graduating Student Exit Survey - 2010

My salary range (in US \$) for the position described above is:  
Students's response by degree program( %)

Salary anticipation	overall	DrPH	PhD	MPH FT	MPH PT	MHS/SCM
less than \$10,000	1	0	0	16.7	0	0
\$10,000-19,999	0	0	0	0	0	0
\$20,000-29,999	1	0	0	0	0	7.1
\$30,000-39,999	8	0	8	0	0	21.4
\$40,000-49,999	16	0	12	16.7	0	28.6
\$50,000-59,999	20	0	8	33.3	10.5	42.9
\$60,000-69,999	5	0	12	0	0	0
\$70,000-79,999	7	0	12	0	5.3	0
\$80,000-89,999	10	0	16	0	21.1	0
\$90,000-99,999	6	0	12	16.7	0	0
\$100,000-\$124,999	11	0	16	0	15.8	0
\$125,000-149,999	2	0	4	0	5.3	0
\$150,000+	12	0	0	16.7	42.1	0



# Preparing for Salary Negotiation

## *Get everything in writing!!!*

You can not evaluate an offer if you do not have the offer in writing:

- Verbal understandings are not binding, therefore without written proof you can not verify the specifics of a job offer.
- Misinformation can be clarified in writing: for example the employer says you will receive a 10% bonus – you should ask how is the bonus calculated (on your net or gross salary; prorated or non-prorated)? And have the employer put it in your offer letter.



# Benefits – What's included

## Signing bonus & performance bonuses

- consider taking a higher salary as opposed to a signing bonus since your because your next raise will be based on your salary not your bonus.

## Flexible schedules

## Profit sharing

## Retirement package

## Insurance

## Stock options

## Sick Leave

- ask if it is “use it or lose it” and if it is considered personal time off or only sick leave.

## Timely advancement

## Vacation time

## Education opportunities

## Cost of living raises

## Parking/Company car

## Cell phone/Blackberry

## Child care

## Maternity leave

- clarify the policy.

## Relocation costs

## Health Care Insurance

*Remember, benefits can equal 20%-30% of your total compensation package.*



# Things to remember

- Most companies make fair and realistic salary offers
  - It is not in their best interest to make “low ball” offers
- They want to hire the best candidate for the job
- High employee turnover is an added expense to the bottom line for the employer
- **Translation = the “Offer” should be good!**
- Seek to create a win-win situation
- Stop interviewing once you accept an offer
- Know when to stop negotiating



# Things to remember (cont.)

- Anticipate objections to higher salary offers
- Be clear about your own value
- Be confident in your abilities, skills, professional experience and education
- Develop rebuttals to anticipate employers possible “excuses” for not wanting to raise salary levels
- Postpone the salary discussion as long as possible
- Discuss salary in future terms....
  - “If I was to stay in my current positions the value of my compensation package would be...”
  - “I would consider a salary range of...”



# The process of negotiating

- Begin by stating your interest in the position and how well your skills match the qualifications of the position
- Build your case for desiring to negotiate the offer
- Ask the employer if they can provide more compensation
- When asked, state an acceptable salary range
- Work on creative solutions if necessary



# Tips

1. Look the part.
2. Patience – “Anchoring” your price
3. The 1<sup>st</sup> offer is never anyone’s best & final
4. Answer a question with a question - “What are your thoughts”
5. Use your “eyes” and “ears”
6. Silence is golden
7. Strengths & weaknesses – always show value
8. No split decisions
9. Think about now and later
10. Trust your gut



