Negotiating the Job Offer

John Molson School of Business
Career Management Services
Negotiating the Job Offer

Question?

• Have you ever negotiated a job offer?
• Why not?
  • Fear
  • Lack of skills
  • Low self confidence
  • Feel it’s tacky
  • Didn’t think they were allowed to
  • Great offer, no need to discuss
  • Didn’t want to look greedy
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Major Principles

• **Market Value**
  - www.salaryexpert.com
  - www.salary.workopolis.com
  - www.payscale.com
  - www.glassdoor.com
  - http://johnmolson.concordia.ca/en/career-services/students

• **Value – Add**
  - Know yourself
  - Know the role

• **Buyer or seller?**
  - Which role?

• **Creativity and Flexibility**
  - Never take “no” for an answer
  - Never say “no”, say “yes, but”
Dear John Stinger:

XYZ Company, Inc. is pleased to offer you a job as a **Financial Analyst**. We trust that your knowledge, skills and experience will be among our most valuable assets.

Should you accept this job offer, per company policy you'll be eligible to receive the following beginning on your hire date (to be determined):

- **Salary**: Annual gross starting salary of $74,500, paid in biweekly installments by your choice of check or direct deposit
- **Performance Bonuses**: Up to three percent of your annual gross salary, paid quarterly by your choice of check or direct deposit
- **Stock Options**: 500 XYZ Company, Inc. stock options in your first year, fully vested in four years at the rate of 125 shares per year
- **Benefits**: Standard, XYZ Company, Inc.-provided benefits for salaried-exempt employees, including the following: Retirement plan; Annual stock options; Child daycare assistance; Education assistance; Health, dental, life and disability insurance; Profit sharing; Sick leave; and Vacation and personal days

If you accept this job offer, your hire date will be on the day that you attend our new-hire orientation. Plan to work for the remainder of the business day after new-hire orientation ends. Please read the enclosed new-hire package for complete, new-hire instructions and more information about the benefits that Any Company, Inc. offers.

We at XYZ Company, Inc. hope that you'll accept this job offer and look forward to welcoming you aboard. Your immediate supervisor will be Jane Doe, Director, Marketing. Feel free to call Jane or me if you have questions or concerns. Call the main number in the letterhead above during normal business hours and ask to speak to either of us.

Sincerely,

John Smith
Hiring Coordinator, Human Resources

Enclosures: 8
Salary Expectations?

One of the most dreaded interview questions

- **Develop a range based on:**
  - Market research vis-à-vis your experience
  - Trusted sources
- **Delivering a range:**
  - Need a “pivot number”
  - Range should be tight, 10% spread
  - Odd numbers
  - Pivot number in lower part of range

$75,000

$74,500 $77,000

www.johnmolson.concordia.ca/en/career-services
Negotiating the Job Offer

Aspects of compensation

1. Money
2. Convertible to Money
3. Sometimes Greater than Money
4. Non-monetary Value
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Aspects of compensation

Money:
- Salary
- Bonuses
- Moving expenses
- Commissions
- Pay increases
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Aspects of compensation

Convertible to Money:
- Vacation
- Health/dental benefits
- Pension plan
- Life insurance
- Education assistance
- Perks: on-site gym, laptop, company car/expense
- EAP
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Aspects of compensation

Sometimes Greater than Money:

- Job location
- Courtesy services
- Flextime
- Telecommuting
- Summer hours
- Dress policy
- Home equipment usage
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Aspects of compensation

Non-monetary Value:
- Reputation/prestige
- Title
- Advancement/transfer possibilities
- Workplace environment
- Travel assignments
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- What’s a “nibble”?  
  - Don’t negotiate everything as a package  
    - Work through each item  
    - Know what’s a must have / nice to have  
    - Leave items that are easy to throw in until the end (buyer acceptance)

Question?
## How to Evaluate Offers: Purely $ Approach

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<th>Company X</th>
<th>Company Y</th>
<th>Company Z</th>
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<td>Total Package:</td>
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## How to Evaluate Offers: Holistic Approach

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Q&A