

Salary Negotiation Techniques

By Michael Sterling

The best approach to putting the deal together is to decide whether you want the job before an offer is extended. This allows you to clarify whether the job suits your needs. Unless you're motivated solely by money, it's doubtful a few extra dollars will turn a bad job into a good one.

The term "bottom line" refers to the amount of compensation you feel is absolutely necessary to accept the job offer. If, for example, you really want \$76,000 but would think about \$75,000 or settle for \$74,000, then you haven't established your bottom line. The bottom line is one dollar more than the figure you would positively walk away from. Setting a bottom line clarifies your sense of worth, and helps avoid an unpredictable bargaining session.

I recommend against "negotiating" an offer in the classic sense, where the company makes a proposal, you counter it, they counter your counter, and so on. While this type of back-and-forth format may be customary for negotiating a residential real estate deal, job offers should be handled in a more straightforward manner.

Here's how: Determine your bottom line in advance, and wait for the offer. If the company offers you more than your bottom line, great, take it. If they offer you less, then you have the option of turning the offer down or revealing to them your bottom line as a condition of acceptance. At that point, they can raise the ante or walk away. And once the bottom line is known, you can avoid the haggling that so often causes aggravation, disappointment, or hurt feelings.

By determining your own acceptance conditions in advance, you'll never be accused of negotiating in bad faith or of being indecisive. Learning to differentiate between financial fact and fantasy will facilitate the job changing process.

If you feel the need to justify your salary request, you can itemize any loss of income that may result from a differential in benefits, geographic location, car expenses, and so forth.

Often, there are considerations aside from money that need to be satisfied before an offer can be accepted. Factors such as the new position title, review periods, work schedule, vacation allotment, and promotion opportunities are important, and should be looked at carefully.

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You can use this approach to quantify each consideration or “point” you need to satisfy as a condition for acceptance. Once you and the company settle on each point, you won’t need to go back later to negotiate “one more thing.” Knowing your bottom line puts you in a better position to get what you want, since you’ve established a set of quantifiable conditions needed for acceptance.