

EVALUATING & NEGOTIATING JOB OFFERS

A Harvard Extension School Resource

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COMMONLY ASKED QUESTIONS

How can I best prepare to negotiate a job offer?

It's important to start thinking about this process before you even begin interviewing with companies. Part of your research into a field or industry should be to explore what the going rates are for salaries in your chosen field and location for someone at your level of experience. Keep in mind that base salary is typically based on the going rate for compensation for that particular position and can vary by the size and financial status of the organization, as well as cost of living in the region and the level of experience required for the role.

First, do your research.

While websites that provide salary survey information based on different job titles are a helpful starting point, they are no substitute for asking people in the field what they consider to be the going rate for positions at your level of experience. This is a good subject to bring up early on in your research when conducting informational meetings with people in the field. Although it is never appropriate to ask someone how much money they make, many professionals are happy to share what they would consider to be acceptable ranges for compensation in their fields. See the Resources section for several salary information sites, and always use multiple sources to gain a sense of the appropriate salary for a role.

Next, think about what you want, and what you can reasonably expect.

Once you have done some research, think about your own needs regarding compensation. First, figure out what you would need simply to survive in the area in which you are planning on living, accounting for expenses such as student loan payments, transportation costs, and the like.

Next, take the salary range you believe you can reasonably anticipate based on your research. Considering the low end of that range, what is the minimum you would accept for your dream job? What is the highest salary you could reasonably expect?

Keep in mind that if you are looking at more than one type of job, you may be looking at different sets of numbers. One cannot compare, for instance, an entry-level job in publishing with one in investment banking. The going rates for these types of jobs are simply too different.

Once you have some numbers clear in your head, you are ready to start interviewing.

When should I expect to start discussing compensation with employers?

Ideally, you should not have a conversation with employers about salary or benefits until you have received an offer, or at least reasonably anticipate receiving one. You will be in the best position to negotiate once the organization is convinced that you are the right person for the job.

However, some employers will bring up the topic far earlier in the process, even as soon as the first interview, or at the time of the application. There are several reasons why this may occur.

For example, in the case of nonprofits, government entities, or educational institutions, they may have a very restricted budget for hiring and will want to make sure that you are willing to consider the salary that they are offering before wasting your time and theirs by continuing with the interview process.

Even in the private sector, the issue of salary may come up early on, particularly if the organization knows that they pay below market rate for the job in question, or does not have a lot of flexibility in their pay ranges, or simply wants to get a sense of the candidate's expectations in case they decide to make an offer.

What should I say if I'm asked about my salary requirements prior to receiving an offer?

You can initially address this question by indicating that your requirements are negotiable, and that you are certain that the organization pays a fair market rate for the position in question. You can also indicate that for now, your primary concern is with the position itself and your fit for it, and that you would be happy to discuss compensation once you have both decided that you are the right person for the job.

If the interviewer continues to push the issue, you could then ask them the range that they have budgeted for the position. Ideally, you want the interviewer to name a number first. If they will not do so and continue to insist that you state your requirements, name a very broad range arrived at through your research and needs. "Based on the industry research I have done, it appears that market rate for this type of job could be anywhere from \$60,000 to \$80,000, depending on the specific job requirements, and the total compensation package offered. But right now, I'm most concerned with learning as much as I can about the position." Make sure that the range you give is one that you would be comfortable with, as many employers default to offering you the lower end of the range you provided. This strategy will provide you with room to negotiate later if necessary.

How should I handle the initial offer call, and what if I receive an offer from a company that is not my first choice?

Applying for jobs is not like applying to college or graduate programs: it is likely that you will not be able to evaluate all your options together. You should never feel like you must give an answer immediately. When receiving an offer, calmly thank the employer, reiterate your interest in the position, and ask how much time you have to consider the offer. If they are looking for an immediate response, let them know that you will need time to consider all the details, and ask for a later date. Ask when you will receive the offer and the details of the compensation package in writing and confirm who you should reach out to if you have questions about the offer. Once you get the offer in writing, carefully go over all of the details and note your questions and the elements you wish to discuss with them, and what you will be asking for (see a list of areas you may want to negotiate or discuss, below). Then, set up a time to speak with your contact to ask

your questions regarding the offer. During these conversations, stay calm and keep in mind that this person is likely to be one of your colleagues or supervisors in the future. Be conscious of when they may not be able to adjust the offer further, so that you know when to stop, and know what your own boundaries are—what are the most important elements to you, and what might you be able to leave aside? Finally, if they cannot adjust a particular part of the offer, such as base salary, what other areas might be possible, such as a one-time signing bonus or an earlier performance and salary review?

If you are actively pursuing more than one opportunity, and you happen to get an offer from a second or third choice option, immediately get in touch with the other organizations in which you are interested. Let them know that you have an offer on the table, that you are particularly interested in their position, and ask about the status of your candidacy. If another firm is interested in you and it is possible to do so, they may speed up the interview and offer process to keep from potentially losing you to another employer.

This can be trickier if you do not have other active applications going at the time you received the offer. In that case, it is up to you to determine whether you wish to accept the offer or continue your job search. You may at this point wish to seek advice from people with whom you have done informational meetings, as well as a Mignone Center for Career Success advisor, to help you make your decision.

Is it OK to accept a position with one employer, then continue interviewing in the hope of receiving a better offer?

In short, NO. This strategy is considered a breach of ethics and can seriously harm your reputation in your chosen field. Employers in competitive fields worry about this practice to the extent that it is not unheard of for a firm to rescind an offer if they find out that you have already accepted one from another organization. Keep in mind that recruiters within fields usually know one another and have been known to compare notes.

I have received more than one offer. Can I negotiate them against one another?

Yes, but be careful. This strategy works best when the offers received come from competitors within the same industry. In other words, if the market rate for the jobs should in theory be similar, then telling one employer that you have received a higher offer from another may encourage them to match it. It is advisable to seek guidance from a mentor in the field or a Mignone Center for Career Success advisor before attempting this tactic. And never lie to a company and tell them you have received a higher offer when you haven't—assume that they will call your bluff and ask for a copy of the offer letter.

Is it always appropriate to try to negotiate a higher salary?

First, keep in mind that the object of negotiating an offer is not necessarily to receive more in the way of money or benefits, but to make sure that you are not leaving anything on the table. That is, some organizations, particularly in the business world, anticipate that candidates will try to negotiate their compensation packages, and so will come in a bit low on their initial offer with the expectation that you will counter it.

However, this is not always the case. For example, if you are looking at a competitive organization that hires many new graduates at once for entry-level positions, such as consulting firms and investment banks, you might be offered a set package that is identical to those offered to the rest of your entering “class.” Unless you offer something significant in terms of additional relevant education or experience over and above the others receiving an offer, it is unlikely that you will be able to negotiate additional monetary compensation.

For those accepting positions in areas like education or the government, you may find that the salary ranges and starting salary rate are set by internal policy and may not be negotiable. But if you truly believe that the offer is low relative to similar positions in the same sector, or you have more to offer in the way of education or experience than is indicated in their official job description, then it may be worth attempting to negotiate. Again, it would be worth your while in this case to seek the help of a professional in that sector or a Mignone Center for Career Success advisor.

Is salary the only thing to consider?

No, there are many other aspects of compensation to consider and evaluate when deciding if the base salary is adequate and if the total package is acceptable. Be sure you have adequate information on the following:

- Monetary compensation
 - What is the base starting salary?
 - Is there a signing bonus?
 - Is there an annual bonus? Is it guaranteed? If performance based, is it based on your individual performance, that of your team, or that of your organization?
 - Will you have access to any kind of profit sharing or stock options?
 - Do they offer a retirement plan with an employer match?
 - When will you be eligible for a salary review? What have the increases in salary been historically for the position, and have they been based on cost of living or performance?
 - When will you be eligible for a promotion? What has the timeline been for others holding this job in the past?
 - Will the organization offer reimbursement for moving costs?
 - Do they offer tuition assistance for continuing education?

- Benefits
 - Does the company offer health insurance? Is it adequate for your needs? How much money, if any, will you be expected to pay per month towards your health plan?
 - Does the organization offer disability insurance? Life insurance?
 - Does the organization offer any help in finding a place to live? Do they provide mortgage assistance?
 - How many days of vacation do employees get per year? Sick days? Personal days? What are their policies regarding unpaid leave?
 - Are there money-saving amenities offered on site, such as childcare or athletic facilities?
 - If the job requires long or unusual hours, do they have any kind of monetary allowance for meals or travel?

Aside from compensation, what other things should I consider when evaluating an offer?

The decision to accept a job is a very personal one, and often involves both following your instincts and taking a leap of faith. But there are still several things to think about, including:

- The role! What will you be spending your time doing, to make what kind of impact? Will you enjoy it?
- The potential career paths that could follow after accepting the position. What will you learn from this job? Where could those skills and experiences take you in the future?
- Do you like and respect the people with whom you will be working? Do you feel comfortable with the culture of the organization? Do people seem happy working there?
- Will you have the opportunity to meet new people in the field and expand your network of professional connections?
- Are you happy with the geographic region in which the job is located, in terms of cost of living, climate, proximity to family, and opportunities for a social life or cultural activities?
- If relevant, is the work remote or hybrid? If remote or hybrid, how often might you be expected to be in the office, and what assistance might they provide in setting up a home office?

Resources for Salary Information

- Networking
- Professional associations
- [PayScale.com](https://www.payscale.com)
- [Salary.com](https://www.salary.com)
- [Glassdoor.com](https://www.glassdoor.com)
- [U.S. Bureau of Labor Statistics](https://www.bls.gov)
- [Levels.fyi \(tech\)](https://www.levels.fyi)
- [Candor](https://www.candor.com) (tech)
- [Wellfound Startup Salary & Equity](https://www.wellfound.com)
- [Blind](https://www.blind.com)
- [Guidestar.org](https://www.guidestar.org) (nonprofits; also available through Harvard Libraries' HOLLIS)
- [Idealist salaries](https://www.idealistsalaries.com) (nonprofits)