Offers and Negotiations

The Art of Effective Negotiating

Nobody is born knowing how to be an effective negotiator—it is a learned skill that is honed and developed with experience. What often gets in the way of taking a win/win position in negotiations, however, is the fear of rejection or potential conflict.

Everyone can learn to negotiate effectively for what they want and need.

How one handles money issues is very important, not only in getting the best possible offer, but in even getting an offer at all. Above all, it’s important to remember:

You wouldn’t be receiving the offer in the first place if you weren’t the person selected as the best candidate for the job.

This gives you leverage. Most employers invest a great deal of time and energy in the interviewing process, and are very reluctant to “settle for second best” when their number one candidate makes an attempt, in good faith, to negotiate for more money.

What follows from the above statement is that the serious job seeker should never disregard job openings only because of perceived salary shortcomings.

In many cases, those who take the initiative and interview for positions “beneath them” can build a great deal of value in their candidacy, discuss additional responsibilities for the position, and negotiate up to an excellent compensation package.

This leaves a great deal of room for you to take a seemingly limited opportunity and work with the employer to create a job much more suited to your experience and salary expectations.

Keep in mind a few other key points when considering your offer situation:

- Surveys suggest that 85–90% of hiring managers do not make their best offer first.
- The professional standard for most counteroffers is generally 5-15% above the original offer.
- In most situations, it is appropriate to request up to a week to make your decision.
- You always will want to review the offer in writing to ensure no surprises.

In the end, each job offer situation is unique. The final strategy will depend on your leverage, the overall progress of your job search, and your own personal comfort level with negotiating.
The new rules of win/win negotiating

In reality, our personal wants typically have very little to do with the job offer at hand. A much more relevant question to ask is “what is the fair market value for this particular job?”

Remember it doesn’t matter what you were paid in your last position—you are only “worth” what the marketplace is willing to pay you in your next position. The days of “time and grade” are becoming a phenomenon of the past. Does this mean that you are going to have to settle for a lower salary than previously? Not necessarily. But it does require that you unlearn your past negotiating techniques and learn the new rules of win/win negotiating in our rapidly-changing job market.

The truth is the majority of us have been conditioned to believe that our value as human beings lies in the titles we hold and the money we make. So much so that we lose focus of the real issue when we are negotiating the compensation package for a new job offer. Again, the real issue is not how much money you want—but what is the job in question worth? And have you sold yourself successfully enough to be perceived as the best candidate? If you have made it to this point, the answer is yes—you have received the job offer. Congratulations!

Let’s review some basic rules that will apply throughout the negotiation process:

1. **You can’t and shouldn’t avoid “talking money.”** Although it is generally recommended that you never name your “range” too early on and that you evade the question of money altogether until you have an offer, the reality is your perceived evasiveness could knock you out of the game. Your consultant will help you to be prepared to discuss your salary requirements if this comes up in the interview process prematurely.

2. **Never accept the offer on the spot.** The reason for this is two-fold. First, you want the employer to view you as a prudent decision maker and therefore want them to acknowledge and respect the fact that you need time to make this kind of important decision. Express your enthusiasm for the offer, but give yourself some time to think through this important decision and reflect on all of the factors that the job offer would encompass. The second reason for not immediately accepting an offer is to make sure you don’t sell yourself short. Most people are so uncomfortable about the money issue that they invariably leave money on the table if they accept the offer as soon as it is made.

3. **Negotiating starts the moment you start to interview.** It is at that point that you start to build value for your candidacy. Once you’ve built maximum value throughout the interview process, you will then have the leverage to negotiate the best compensation package possible when the offer is made.
4. **You can always say “no” to an offer.** Certainly you don’t want to waste your time or that of the interviewer and go through great pains to get an offer for a job that isn’t a good fit. However, the more common occurrence is that people bow out too early in the interview process because they are concerned about being in a position where they have to turn down an offer. Continue to interview for all but the most unlikely positions until the eventual job offer arrives, remembering that it’s appropriate to walk away if, after the negotiations, the job still isn’t a good match for you.

Statistically, **one out of every two jobs will be a newly created position** in this decade and the next. As a result, there have never been greater opportunities for candidates to help design their own positions with employers throughout the interview and offer process.

You have nothing to lose—and perhaps the ideal job to gain—if you stay in the game with the employer and remain open to the possibilities.