



*Career Transition Series*

## **A Brief Guide to Job Offer Negotiation**



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*Finding Exceptional Talent.  
Building Exceptional Organizations.*

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Anita Shuper is a writer, researcher, and business consultant. With a background in the arts, science, and business, including an MBA from the Rotman School of Management, she has written on topics ranging from language to lasers to local entrepreneurship. Anita regularly contributes her communications expertise to projects and programs in not-for-profit and startup organizations. Her current focus is developing career management resources for students and executives.

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## **Point of View**

Negotiating is about closing the deal. Your resume opened the door, convincing the employer that you are a candidate worth meeting. The interview won you the job offer, assuring them that you are indeed the right person for the job. But it's not a done deal until you've signed your job offer. Hopefully, you haven't done this before reading the offer thoroughly and having a proper negotiation. But remember, any changes you request to the offer turn the tables. It's no longer your offer to refuse.

Many people are anxious about negotiating their job offer. It's common for them to be uncomfortable when discussing salary and compensation. Anxiety often comes from a lack of experience, or discomfort might come from a negative mindset about our worth or competence. It's not impossible to overcome these obstacles, however. It starts with having the right attitude. Preparing and practicing is also critical to feeling more comfortable, performing well, and achieving a favourable outcome.

Negotiating is a dynamic process, and no two negotiations are alike. Since they are highly situational, it's impossible to advise on what to say and how to proceed without knowing the details and how each party responds to the other. However, there are guidelines you can follow to help make the negotiation process a success. Get as many facts and details as possible before the negotiation. Familiarizing yourself with the process and practicing will also help boost your confidence and performance.

The most important thing to keep in mind is your attitude and approach – you want these to be win-win all the way. It's not just about the salary – consider the total rewards package when working through the process and making your decision.

Negotiating is an art and a science – the science is what you know and how you prepare, while the art is knowing how to ask, listen, interpret, reposition, and act effectively. You may not be an expert, but with time and experience, you can undoubtedly improve your performance and, therefore, the outcome of your job offer negotiation.

Bill Holland

## **W5H**

### **Why?**

Negotiating a job offer is important because it sets the terms and conditions of your compensation. In addition to being compensated for your time and expertise for the job you'll be doing, you may have to consider additional costs for transitioning into a new role. This might mean relocating, commuting, or losing a bonus. Other non-quantifiable factors, such as work-life balance and time off, are also essential.

### **What?**

The top three things you need to do are: (1) have the right attitude, (2) make a plan and (3) take action. A good attitude will put you in the right frame of mind, a plan will keep you on track, and executing that plan is the key to success.

### **Who?**

Any number of people might be involved in the negotiation, either individually or in a panel format. The hiring manager and someone from HR will likely be part of the process. Find out as much as possible about the individuals involved in the negotiation, what they do in the organization, and their influence on the decisions around compensation. If a third party or professional will be negotiating on your behalf, you must remain involved in the process.

### **When?**

The job offer negotiation process has different starting points. Ideally, you'll be asked your expectations before the official offer is presented. This usually occurs if a third party, such as a lawyer, is involved. The finer details will be discussed once the offer is received. If all terms can't be agreed upon right out of the gate, subsequent short and medium-term reviews can be scheduled to renegotiate.

### **Where?**

Negotiations generally occur at the employer's organization but could also be held offsite via telephone, video, or email.

### **How?**

It's all about execution. With a plan in place, the "how" is a commitment to doing it. In this guide, we've set out the following goals for you to start working on (1) doing your homework, (2) assessing total rewards, and (3) practicing. If you focus on these at a very minimum, you will be off to a good start. It's up to you to supplement the activities we suggest with others that make sense for you. There's no shortage of resources in bookstores and online to keep moving you forward.

## **Attitude**

Many people think that negotiations result in a winner and a loser. This is a myth! Get into a win-win mindset and make it your objective to achieve an agreeable outcome for all stakeholders. Understand that negotiations involve compromise and give-and-take, so be prepared to identify your must-haves and negotiable items. Don't get stuck on some items out of stubbornness or simply to make a point. Be reasonable and fair to yourself and the employer while finding the "yes" on as many items as possible.

A successful negotiation should result in all parties feeling satisfied with the outcome. Negotiating is also an exercise in control; don't let emotions rule your behavior. Remaining even-tempered and reasonable throughout the process is critical. Even if you consider the other party's points weak, unacceptable, or laughable, don't insult them with an inappropriate response. Maintain a poker face while they make their case, and think carefully before responding. Any rash reactions on your part will make you appear either inexperienced, unprofessional, or unwilling to work toward a win-win outcome.

Finally, be content with your compromises and with the final agreement. Otherwise, your resentment will quickly start to mount – and there's no win-win in that. A good attitude needs to persist beyond the negotiation right into your tenure.

## **Plan: Creating SMART Goals**

With the right attitude, the next step is to make a plan. Having a roadmap to keep you focused and on track is essential. Without a plan, you'll engage in aimless activities and wonder why you're not reaching your ultimate goal of finding a job.

A complicated plan will just prevent you from getting things done, so keep it simple. Overplanning invariably leads to underdoing. However, to be efficient and effective, you must spend some time upfront identifying your goals and creating a workable action plan.

An excellent way to approach your goals is to make them SMART (specific, measurable, attainable, relevant, and time-driven.) On the following pages, we review several goals and provide some advice to help you:

1. Do your homework
2. Assess total rewards
3. Practice

## **Execution: 1. Do your homework**

Take the time to research your market worth and gather as much market intelligence as possible. Ask friends, colleagues, and industry experts (including recruiters) for any insight they may have. There are online resources available that provide salary ranges for different jobs in different regions.

Demonstrate that you know your market worth and are putting your best foot forward. Understand that three numbers will be put forward – their number, your number, and the number you agree on. You're in a good position if these fall into your marketable range. In any case, the number you agree upon should fall within a range agreeable to you and the employer. It should also reflect your worth based on your experience, market factors, and the employer's compensation policy.

Remember, you don't know what you don't know. It would help if you validated your assumptions by doing appropriate research, using reputable salary calculators, and consulting experts in the field. Remember that you are likely not the only candidate in the running, and you don't know what experiences and expectations your competition might bring to the negotiating table.

## **Execution: 2. Assess total rewards**

Consider total rewards – not just salary – when evaluating the offer and negotiating. All items in a total rewards package have a value. The value may be measured in dollars or in less tangible ways, such as work-life balance, experience, or security. The values ascribed to the different items – even the monetary ones – differ for others. They may even be different for you over time. It's important to determine how you value the elements of the total rewards package and prioritize them accordingly.

Identify your needs versus your wants, which items are non-negotiable for you, and which you are flexible about. Determine what elements of a total rewards package are important to you. This exercise will also help guide you in the negotiation discussions.

You'll likely be disappointed if you subscribe to the notion that "everything is negotiable." Some items, such as health benefits, pension plans, and bonus formulae, are less likely to be negotiable. This is especially true in large organizations with well-developed HR practices and policies. Violations of these policies may cause "internal equity" issues among employees, and companies don't want to lose integrity this way.

## **Execution: 3. Practice**

Consider the many variables involved in a negotiation scenario. There's you, your negotiating agent, the employer, and other potential candidates, to name a few. With so many moving parts, it's no wonder that no two negotiations are alike. You can't accurately predict how a negotiation will unfold, but you can familiarize yourself with the process to ensure things run smoothly in everyone's favour.

Practice with a friend or family member to help prepare before you meet with the employer. The more you practice, the more skilled and comfortable you will become with the process. List your must-haves and your nice-to-haves, and prepare your tactics in advance. Score yourself on how you think you performed. How was your approach? Did you have a win-win attitude? Did you make requests or demands? What was the outcome? Practicing in advance will help you stay focused and confident during the negotiation.

It's important to practice what you're going to say and how to say it. How you position your statements and ask your questions is critical, as is your body language. Practice both the content and delivery of your questions and statements. Be aware of your attitude, tone of voice, facial expressions, and body language.

## Top 10 Mistakes

1. **Being unrealistic.** Make sure you do your homework and know your market worth before going into the job offer negotiation. If your requests are realistic, they will indeed be accepted.
2. **You are being unprepared.** In addition to doing your research, you should also practice your negotiating tactics in advance. The better prepared you are, the better the chances of a win-win outcome.
3. **Focusing on the wrong things.** Identify what's truly important to you and pick your battles accordingly. Focusing on details that are of relative importance will not get you anywhere.
4. **Not getting it in writing.** You don't want to be in a "he said - she said" situation where verbal indications or promises mean nothing. If you get it in writing, the facts won't be questioned.
5. **You are not focusing on total rewards.** Too many people turn down an otherwise good offer based on salary considerations alone. Analyze the whole package before deciding on the offer.
6. **You are not able to support your position.** Making requests without being able to back them up with your credentials and experience is a wrong move. Be able to substantiate your requests appropriately.
7. **You are being dishonest.** Always negotiate from a place of honesty and sincerity. Don't lie or mislead anyone along the way – it may come back to haunt you.
8. **You are playing hardball.** While you shouldn't compromise on your must-haves, don't come across as pushy or demanding. A win-win approach is much more effective.
9. **Playing hard to get.** Don't make veiled threats or delay your response to the offer. It can be withdrawn if you hold off too long, hoping for something else to come through.
1. **Mishandling multiple offers.** Having various offers gives you security and leverage, but don't press your luck. Decide which offer is best for you and negotiate from there.



## **Titles in the Career Transition Series**

### **A Brief Guide to Executive Branding**

As an executive, it's essential to establish and develop your brand. Nobody else will do it for you! In this guide, we'll introduce you to the "5 Cs" of executive branding: clarity, consistency, constancy, credibility, and confidence.

### **A Brief Guide to Job Search Networking**

Networking is an integral part of your job search strategy. It's also easier than most people think! In this guide, we'll get you started on some essential networking activities, including building your base network, preparing your pitches, getting set up on LinkedIn, and having face-to-face meetings.

### **A Brief Guide to Writing Your Resume**

Resumes open doors. They can also close them. To be considered for the opportunities you want, it's up to you to make a great first impression with your resume. In this guide, we'll get you started on writing your chronological resume, online resume, and one-page biography.

### **A Brief Guide to Interviewing**

While resumes open doors, interviews get offers. You must demonstrate that your skills, attitude, and personality make you the right person for the job. In this guide, we'll get you started on preparing for a winning interview.

### **A Brief Guide to Job Offer Negotiation**

Negotiating is both an art and a science. People who are uncomfortable about negotiating need more confidence because they need experience. In this guide, we'll start you on how to best prepare and practice for a win-win job offer negotiation.

### **A Brief Guide to Executive Onboarding**

Getting the job is excellent, but succeeding in it is what matters. Whether or not your new organization has a formal onboarding program, consider yourself in charge of the process. In this guide, we'll get you started on several critical onboarding activities to set you up for success.

Start Mandrake's FREE! Career Transition Program by [clicking here](#).