Salary Negotiation
By Shaureece Park, University of North Texas, May 2021

Don’t be afraid to negotiate
• In most cases the worst they can do is say no.
  o Even if you are denied more money when you ask you can still ask for additional leave, benefits, relocation, signing bonus, telecommuting part or full time etc.
  o Private employers have much more wiggle room here.
• Public entities may have many of these codified.
• Remember that a no to your requests does not mean they do not value you. It typically means they have already extended the best offer they can.
• Men are more likely to negotiate which increases salary disparities.

How salary decisions are made
• Supply and demand are key determinants
  o Salaries are determined by the cost of labor not cost of living
  o You may have seen in the news that currently some entry-level front-line jobs are making a decent wage because demand is high.
  o Location is important determinant in salaries.
    ▪ Sunshine tax-The cost of labor in relation to the cost of living is lower in highly desirable/touristed areas.
• Pay philosophy- most employer have one (even de facto) and It drives how compensation decisions are made.
  o Lead, lag or meet the market
  o Job based or person-based pay
    ▪ Job-based pay is defined by the job’s duties, and then adjusted to fit other factors like education or a person’s seniority- most common
    ▪ Person-based/skill-based pay focuses more on the skills, competencies, and achievements of an individual. For instance, you may start someone with a base salary, and then reward them as they gain targeted skills. Not nearly as common
    ▪ Location matters- State, city, vacation destination.
• Considering an applicant’s current pay can result in a low-ball offer.
• If there is a place on an application for your current salary leave it blank unless you cannot or your title might make someone think you are overqualified.
• Our process:
  o We use CUPA data College & University Professional Association- HR.
  o I compare a candidate’s education and experience in relation to other library employees with the same “classification” and offer the highest amount I can without creating an equity issue. It is not necessarily the most common approach.

Know the Facts
• Do your research on salaries
  o Know what others are getting paid for similar work in a similar market.
  o See if the data is available from professional organizations i.e. ALA
  o O*net & Occupational outlook Handbook are good sources.
  o CUPA data is what we use to create structure for pay decisions
  o Here’s a salary comparison tool that uses data from the Department of Labor (DOL) to show the average salaries for different positions in every state. You can also scan sites like Salary.com and Glassdoor to find basic comparative data
Salary.com & Glassdoor are typically self-reported and often inflated salary data compared to professional salary survey data.

- Know that the total compensation package is which is a lot more than just salary.

- Determine if it aligns with your needs. Some will need the highest salary and do not care about any of the other benefits while others will want a mix of both.
- Some companies create “golden handcuffs” where they pay you a high salary but not provide a good work environment or not challenging work. It makes it difficult to leave because it is hard to find a job with comparable pay.

- Total Compensation includes:
  - **Salary**- wages, overtime (where applicable), hazard pay, shift differential. Language supplement.
    - If you just meet the minimum qualifications, you are likely to get the minimum salary.
    - Good question in the interview “At what intervals will your performance and salary be reviewed?”
  - **Benefits**-
    - You want to understand the following things
      - What is the waiting period?
      - Is my domestic partner (common law spouse) covered?
      - What are the out of pocket expenses (paycheck + copays)?
        - How much more with my family covered?
      - Do you need specialized coverages?
        - Research online or ask if you can talk to someone in HR about the schedule of benefits, formulary/prescription drug list & Rate sheet.
        - Private employers may be cagy about this
  - **Retirement**-
    - defined benefit (formula drives retirement income- rare)
    - defined contribution (e.g. 401K- market drives retirement income) Vesting
    - Does your employer match what you input?
    - Pro tip: Contribute as much as you possibly can as soon as you can.
  - **Educational tuition reimbursement**
  - **Professional Development** opportunities- training, conference attendance/presentation, development leave
    - Good question in the interview “What career development programs would I have access to?”
  - **Paid Leave**
Typically, 8 Holidays, Sick, Vacation, time off for performance, fitness/wellness, other

- **Unpaid leave** - leaves of absence, FMLA
- **Incentives** - bonuses, profit sharing
- **Perquisites** (Perks) - on site day care, discount programs
- **Awards** - recognition programs
- **UNT Benefits** - this is just an example of our benefits.
- There are many **others**. Some include: Work-life balance, on site gym, on-site child care etc.

### Preparing for the salary discussion

- **Know the job and the organization**
  - Hours, travel, flexibility
  - Culture/values – does it fit for you?
    - Values alignment is a significant indicator of longevity

### Relocations

- **Will the employer pay all or part of your relocation costs?**
  - For many this is for only higher-level roles
- **Know how the cost of living differs from where you currently live and this job is.**
  - [Cost of Living Calculator](https://nerdwallet.com/budget/cost-of-living-calculator) | NerdWallet
  - [Cost of Living Calculator](https://www.payscale.com/cost-of-living-calculator) | PayScale
  - [Cost of Living Calculator](https://www.salary.com) | Salary.com
- **Consider if that state has state taxes and what is that tax rate.**

### Highlight what makes you stand out that might set you apart from others

- **Language**
- **Rare skills**
- **Excellent presentation skills**
- **Look at PQs on the job posting**
- **Align with the organization’s values**

### Talking Numbers

- **Tread carefully when discussing salary and avoid giving the first number.**
- **Try not to be the first to bring up salary. Let the interviewer do that, but be prepared.**
- **Disclose your current salary only if you think it is helpful.**
  - It can result in a lower salary offer.
  - Probably not helpful for first professional job.
- **Discuss livelihood requirements and needed benefits based on your situation**
  - You may have salary threshold that you cannot drop below. In that case share that but communicate your passion for the job
- **Discuss job offers from others.**
  - Do not fudge this information. It is a small world.
- **If they will not budge, you have to determine if you want the job at the salary offered. You may need to walk away. Decide that number/criteria in advance. No one makes their best decision under stress.**
- **Example:**
  - **Manager** “We really enjoyed getting to know you and think you would be a great fit for this position. We would like to offer you the position with a starting salary of $40K.”
**Your possible response** “I really love the work this position will be responsible for and I think I would be a great fit as my values align so closely with <Library Name>. As you know, I have 15 years of experience and my work with students for many years will really help me in this role <insert how> and my fluency in Spanish will be very helpful with our Latinx patrons. I was wondering if there was any wiggle room in the current offer as I am currently making $60K. I realize I will not be making that much in this role, but I was wondering if you could take into consideration my extensive experience and my language fluency for a more competitive offer.”

**Manager** “No, we really have no wiggle room on the salary our organization has a prescribed salary and all new employees come in at entry.”

**Your possible responses**
- “Ok, I understand. Can you give me some insight on how quickly someone usually moves through the salary range?” or
- “Is this something you can discuss with the Human Resources Office to see if there is some means by which to account for my experience?” Or
- “Ok, can you give me a few days to think about it and look at my finances to see if that is something I can manage?”
- I am really sorry. As much as I love what I know about this role and this organization, my finances will not allow for such a significant drop in income. If there is not way we can get to $50k I am sad to say I will have to decline the offer, but please keep me in mind for future opportunities.

**How to answer tricky questions around salary**
- If they ask you what your salary expectations are you may not want to answer directly. Make sure they know the passion for the job/company is your priority.
  - Consider saying something like, “I would expect to get paid a salary and benefits package that is consistent with the market and the skills and attributes I bring to this job, but I do not have a dollar amount in mind at this time. What is important to me is that the work is interesting, the workplace is engaging and I am being compensated fairly.”
- **What are your salary requirements?**
  - “I would be interested in hearing the salary range for this position before I commit to a figure.” This script puts the ball back in the employer’s court to make the next move.
  - Employers will usually provide a range that gives you two options. You can either ask for the midpoint of the salary range or say you desire to be within the middle to the top of the salary range.
- **How much do you make in your current position?**
  - “I would rather not comment on my current situation because this position requires different responsibilities than my current position. After we discuss the job responsibilities for this position, I’m confident we can come up with a reasonable salary.”
  - If they are prepared to pay 100K and you are making $75K the initial offer will often be lower.
- **We are considering offering you a salary package of $50,000. How does that sound?**
  - “I appreciate the offer and would love to join your organization. However, I was hoping for an offer of around $55,000. If you can raise it just a bit, I could start in the next two weeks.”
  - Counter with a number you would be happy with.

**Ending the Talk and Making a Decision**
- **If you get a great offer that meets all your needs you may not need time to decide. If you need time to think, consider ending the conversation with**
  - “There is a lot to consider with the salary & benefits package, may I have a few days to decide? Can I get back with you by the end of the day on Thursday?” or
  - “This sounds like a great offer. I really like to think about big decisions like these. Can I have three days to decide so I can look at all the great information you have provided?”
Give a specific timeline when you ask, but do not make it too long or just leave it open. The employer is eager to get someone started.

How to decide

- Consider your needs & wants compared to the total compensation package being AND:
  - The work
  - The environment
  - How well your values align with the organization.
- Clearly identify what your wants are versus your needs
- Make a pros and cons list
- If considering multiple offers compare them side by side by topic (salary, benefits, leave retirement.)

Additional Resources

- [https://www.indeed.com/career-advice/career-development/how-to-calculate-gross-pay](https://www.indeed.com/career-advice/career-development/how-to-calculate-gross-pay)