

Accepting a Job Offer – Are you ready?

Recommended Websites:

Salary Information

- www.salary.com
- www.bls.gov/oco/

Relocation Information

- <http://www.homefair.com>

Books available in the Pardieck Memorial Career Library:

*Salary Facts Handbook –
The Definitive Source of Pay
Information on 800 Jobs*

*Perfect Phrases for Negotiating
Salary & Job Offers*

*Secrets of Power –
Salary Negotiation*

Next-Day Salary Negotiation

Negotiating Your Salary

Accepting your first professional job offer can be a stressful time for any new graduate. Many questions may come to mind:

- Is this the right organization for me?
- What is a solid benefits package?
- What if I have another offer coming soon, but I have an offer deadline to meet?

Familiarizing yourself with the terminology and typical steps in the process can help you feel more confident as you make this important decision.

What's most important to me?

Before you begin considering an offer it is important to consider what you "have to have" and what you "hope to have" from the organization. Ideally, it would be nice to have your first job incorporate all of your preferences, but reality often means setting some priorities. Start by considering and rating the following "bolded" categories with a rating of 1-6. Next, look at the questions under each. Does the position you are considering support what you rate as being important?

Corporate Culture: In what type of environment do I excel? Do I prefer structure and opportunity afforded by a large company? Is a smaller, more fluid organization a better fit? Are dress code or lifestyle perks important? Do I feel comfortable with my potential co-workers? Are the immediate surroundings of my workspace pleasant? Am I comfortable with my immediate supervisor?

Work/Life Balance: How many hours am I willing to work beyond the traditional 40 hour work week? How much am I required to travel as part of the position? Do I, now or in the future, need a flexible schedule due to childcare or commuting issues? Are there work-from-home options available?

Salary/Stability: What is the minimum level of compensation I will need to meet my financial obligations? Is this reasonably attainable in this position? Is the organization experiencing any growth or downsizing? What is the structure of promotion and/or salary reviews?

Location: Do I really need to live near home and thus restrict my location options? Am I willing to relocate in order to move up in my career? What distance is a reasonable commute considering my time and costs?

Benefits: Do I have an existing health condition which needs to be covered? Do I have dependents that need to be covered, too? How much premium can I afford? Will the company pay for additional training/education?

Job Responsibilities/ Career Growth Opportunities: Will I enjoy the day-to-day responsibilities of the position? What training is provided as part of the position? What is the typical time-line for advancement? Are there opportunities to network with peers from other departments? Will I develop new skills and expand my experiences?

When can I expect an offer?

You can expect 2-3 interviews (including at least one site interview) prior to receiving an offer. Rarely will you be offered a full-time professional position as part of the interview process. Offers are often made verbally by phone (followed up with additional information) or by mail/email. Detailed descriptions of the benefits package usually accompany the offer letter. Most employers will give you a few days to a few weeks to consider the offer before expecting an answer. A deadline to respond is usually part of the offer.

It is important to read all of the information provided and to ask questions of the employer before giving a verbal or written answer. Questions are expected, so do not hesitate to call the employer for additional information.

Is the position a good fit?

If you think you can comfortably devote at least eighteen months to two years, the position is a good fit. Keep in mind that it is important to consider the organization's financial condition, size, location, and reputation as a part of the decision. If any aspect of the position makes you uncomfortable, it is best to decline the offer. "Jumping ship" too soon after accepting a new position delays your career growth and can lead to difficulties getting interviews for additional positions. Too often, new grads jump at the first offer. It can be difficult to be patient when the pressure of graduation is approaching.

How can I tell if it is a fair salary offer?

Offers will vary dependent on the industry, size, and location of the employer. Market demand for your field is also a factor as well as your specific qualifications. Information concerning salary ranges for entry-level positions is available at the SCC. In addition, consult websites listed on the SCC website including www.salary.com and www.rileyguide.com. Keep in mind that salaries posted on websites may not be specific to someone just getting stated in a new position. Consulting with more than one source of information may be helpful.

Is the offer negotiable?

Unless you are in a high-demand field, have a special skill of interest to an employer, have other offers pending soon, or can afford to keep looking, entry-level candidates may experience some difficulty in negotiating offers. Since entry-level salaries are structures for many employers, new graduates may be able to add a small amount to base salaries, but shouldn't expect a huge jump. If altering the base salary is an option then negotiating a sign-on bonus, a relocation bonus or an additional salary review in the first year of employment could be an alternative.

How do I start the negotiation process?

The communication process is important during the negotiation. If possible, try to speak in person or via the phone rather than by email. Negotiation should be done a few days before the offer deadline.

Start by expressing interest in the position. Ask any remaining questions concerning the offer. Next, ask if the offer is negotiable. If the answer is yes, begin by starting specifically with the part of the offer you hope to negotiate. If the answer is no, thank the recruiter, and let them know you will have an answer for them by the deadline.

If you are attempting to negotiate base salary, you may be asked why you believe a new offer is needed. Be prepared to reference the salary range appropriate for your skill set. If you hope for the higher end of the range, bring into the conversation your unique qualifications including high GPA, language or computer skills, leadership experience, applicable class projects, and previous relevant work experience. Preparing your response in advance will help you be more confident.

Adhering to offer deadlines is critical. If you expect an offer from another company but the deadline for the first offer is coming soon, asking for an extension to the offer deadline can be an aspect of the negotiation.

If you need time off during the first few months of employment for a special vacation or wedding, be sure to bring start date and/or vacation time into the discussion. Vacation time is not typically awarded upon employment. It is often accrued and not available within the first few months.

Request changes in writing.

Finally and perhaps most importantly, be sure to ask that all changes to the offer be confirmed in writing. Having documentation is important in case there are personnel changes at the organization prior to your start date.

How do I accept or decline an offer?

Once the negotiations are finished, it is time to accept or decline an offer. Both should be done formally through a letter or email. If declining, be sure to include appreciation for the offer in your correspondence. Why? You never know when your employment situation may change and you may want to reapply with the same organization for another position. It is also important to notify other organizations where you have applied and to withdraw from their interview processes. Finally, contact the SCC to let your career advisor know your good news, and update your eRecruiting account.

Benefits Checklist

The benefits offered by an organization can be equal to approximately 30% of total compensation. Typical benefits offered by organizations are listed below. It is unusual for an organization to provide all the benefits listed. Benefits specific to specialized industries, such as commission structures in sales positions or shift differentials in the health care field, are not included. If you are in a specialized field, it is important to do additional research.

Salary: Fixed compensation for services provided by an individual. Typical work weeks are 37 ½ to 40 hours long.

Sign-on bonus/relocation bonus: A sum of money provided once an offer is accepted to cover expenses including moving expenses, housing deposits, clothing purchases, assistance to college loans, etc.

Overtime: Hourly compensation paid for hours worked beyond the normal work week. Usually, overtime is provided to employees paid hourly, but rarely offered to salaried professionals.

Commissions/Bonus/Profit Sharing: Additional compensation based on individual/organizational performance paid above and beyond set salary.

Pension: A sum of money paid regularly by the employer upon retirement. Usually, the size of the payment is dependent upon the salary and length of employment of the recipient. No employee contributions required. In order to receive pension payments, employees must meet vestment requirements*.

401K (403B for not-for profit organizations): A retirement savings account. Employees usually must contribute a defined amount in order to receive employer matching contributions. Employees do not pay federal (and sometimes state) taxes at the time of contribution. Taxes will be paid at withdrawal. Many plans provide different investment options for the contributions. In order to receive employer contributions to the account, employees must meet vestment requirements*.

Stock Options: Employees may buy shares in the company stock- usually at the reduced cost. Stock options may be an option within a retirement plan.

Health Insurance: Insurance provided to employees and their dependents at a group rate. Enrollment usually required upon employment or during specified enrollment periods. Coverage amounts and delivery options vary. A portion of the premium may be provided by the employer.

***Vestment Requirements** - The vestment date is the minimal amount of time you must work for an employer before they match your contributions. Leaving prior to the vestment date forfeits the amount contributed to these accounts by the employer. For many employers, this is a set date. For others, it may be graduated. For example, 20% after the first year, 40% after the second year, 60% after the third year, etc.

Ethical Do's and Dont's

- **Do not** attempt to negotiate unless you have intention of accepting the job.
- **Do not** accept a job offer and keep looking for something better.
- Once accepted, a job offer is no longer open for negotiation.
- **Do** respond to all phone calls, letters, and emails in a prompt manner.
- Once you accept an offer, notify all other organizations where you have interviewed to withdraw your application.

Group Term Life Insurance: Life insurance for the employee provided at a group rate. Option to purchase additional coverage or to cover dependents at a reduced rate may also be included.

Short-term Disability: Insurance provided for a specified period of time to cover a portion of an employee's salary if he/she is unable to work due to illness or injury. Maternity benefits are sometimes paid under this category. Employer typically pays all or most of the premium.

Accidental Death and Dismemberment: Basic AD&D coverage is generally employer-paid and typically provides an accidental death benefit equal to an employee's basic term life insurance amount. Basic AD&D also provides premium up to a certain monthly payment. Employees can usually purchase additional coverage.

Dental Insurance: Insurance provided to the employee and dependents at a group rate. Typically preventative care as well as a portion of specific corrective procedures.

Vision Insurance: Insurance provided to cover all or a portion of the cost of glasses, contacts, and exams.

Paid Time Off: A combination of vacation time, personal days, holidays, and sick days paid at 100%.

Flex-Plan: Sometimes referred to as Section 125 Plan (section of the Internal Revenue Code) this benefit allows employees to pay certain expenses with pre-tax dollars. Other terms used to describe these kinds of plans are Flexible Benefit Plan or Cafeteria Plan. Expenses may include health care premiums, deductibles, out-of-pocket expenses, child care, and dependent care.

Tuition Benefit: Reimbursement provided for job-related college courses and training. Expenses such as books and fees may also be covered. A minimum length of service commitment upon completion of training/degree or minimum GPA may be required.

Employer Perks: Perks vary widely from organization to organization and from industry to industry. Perks may include health club memberships, free meals, product discounts, incentive trips, free dry cleaning services, etc.

Benefits Comparison Checklist

List benefits provided by organizations as positive amounts (estimate organizations paid premiums for any insurance). Add your base salary and benefits to get your subtotal. Next, subtract anticipated expenses. Use final totals to compare offers.

	Offer A	Offer B
Base Salary	_____	_____
Paid Overtime (estimate approx. annual amount)	_____	_____
Signing or Re-location Bonus	_____	_____
Retirement Plan (calculate approx. \$ amts or employer match)	_____	_____
401(k)/403(b)	_____	_____
Pension	_____	_____
Stock Options	_____	_____
Commission/Profit Sharing/Annual Bonus (estimate)	_____	_____
Health Insurance (estimate employer portion)	_____	_____
Employee Only – company paid (estimate)	_____	_____
Co-Pay premium for employee	_____	_____
Family Coverage	_____	_____
Dental Insurance (estimate employer portion)	_____	_____
Vision Insurance (estimate employer portion)	_____	_____
Prescription Plan (estimate employer portion)	_____	_____
Disability Insurance (estimate employer portion)	_____	_____
Life Insurance (estimate employer portion)	_____	_____
Paid Time Off	_____	_____
Holidays	_____	_____
Vacation	_____	_____
Sick Leave	_____	_____
Other	_____	_____
Tuition Benefit (calculate annual award)	_____	_____
Pay Raises (approx. amount in 1 st yr)	_____	_____
Travel	_____	_____
Reimbursed Expenses	_____	_____
Company Car (estimate annual benefit)	_____	_____
Other Perks	_____	_____
Sub-Total	_____	_____
Expenses (subtract from sub-total)	_____	_____
Commuting/Tolls	_____	_____
Parking	_____	_____
Insurance Premiums (estimate your portion)	_____	_____
Total	_____	_____