

Note: The following newsletter has been contributed by Dan Puleio, President of Your Life-Your Career, a Web-based job search and career management company. Dan has contributed articles to the Financial Executives Networking Group (www.thefeng.org). His brief profile and contact information appear at the end of this article. Ed

Should You Negotiate Your Best Job Offer in a “Buyer’s” Market?

The tight job market is showing signs of easing up. Your diligent (and nearly maddening) efforts to secure gainful employment are finally being rewarded. Interviews have gone well and your heart leaps when you receive that big toothy smile and hearty handshake. You applaud yourself, thinking, “I did it, I’m actually being made an offer!” You have every intention of accepting and finally getting your “life” back on track.

As you savor your hard won victory, you feel a momentary rush of panic as a dozen questions flash through your mind, “Great, now that I have the offer, what do I do with it? Is this the right career move or a “knee-jerk” reaction? Should I negotiate the offer or accept it as presented? If I question anything will I risk having the offer withdrawn? Do I need to give them an answer immediately? Somebody help me please!”

These are all excellent questions that warrant further discussion. “Should you negotiate your best offer in a tough “buyer’s market...and if so, how”? To assist in making this critical and highly personal decision, I offer the following thoughts:

- ❑ Keep firmly fixed in your mind that in this tight economy, hiring has been tedious and painstakingly slow for the employer (as well as for you). If time is money, then the decision to hire you has cost the company a lot. You are finally their hiring decision. You are “Numero Uno”! The prospective employer does not want to lose you and be forced to reopen the search. If you present your requests in a well thought out, reasonable and professional manner, they will work with you for a solution agreeable to both parties.
- ❑ Recognize that employers have more experience in the hiring “game” than you do and will work the emotional “high” of the initial employment offer to gain your quick acceptance. Also recognize that, even if reasonable, the initial offer is never the company’s best offer.

You might say, “Dan, that’s wonderful to hear, but how exactly do I define my negotiation criteria and then establish an open forum for discussion? I’ve been involved in negotiating literally millions of dollars in contracts in the past, but the thought of negotiating my own job offer frankly scares me to death”! I agree, negotiating your own offer is not particularly easy or comfortable, but the long-term gain to your income and ultimate job satisfaction may well be worth enduring the short-term discomfort.

So go ahead and shake the employer’s hand. Reaffirm your excitement about joining the team and the quick contributions you will provide, however, do not accept the offer until it is presented in writing. Ask when you might expect to see the specifics of the formal offer.

Getting the offer in writing is not only a good business practice, but it also allows you to review the details in a logical manner, more detached from the adrenaline rush of the moment.

By the time the offer is extended you should have a good feel for the company's financial health, immediate challenges and contributions to the "bottom line" that you are being hired to provide. Factor this information into your negotiations strategy. For example, if they are emerging from lean profit years, you may elect to pursue a pay-for-performance bonus instead of a bump in base pay. You have probably also referenced a few salary surveys (you can bet the employer has), and asked the TENG readership for added background information on what you'd like to see in the formal written offer. Now it's time to write down and prioritize this list on paper...I emphasize, get it out of your head and onto your written worksheet!

Keep in mind your worksheet is a flexible "wish list" of talking points. You can ask for anything, but demand nothing. Your conversation (note that I said "conversation", not email or fax) should be with the person to whom you will report. This is the person with the greatest sense of urgency to bring you onboard. Once again, express your excitement about joining the team, but ask for "help" in first resolving or clarifying several points. Give the individual room for suggesting solutions agreeable to both parties. Be mentally prepared to be flexible on all matters. Avoid any appearance of confrontation...after all, you've got to "live" with these folks come Monday morning!

The following outlines just a few points that others have successfully negotiated in the past. They are provided for reference purposes only. Every employment situation is unique, and only you should determine the elements you wish to incorporate into a strategy that blends your immediate employment needs with your longer-term career development goals within the company.

- Base Pay
- Bonus Structure
- Equity Offering
- Benefits Package
- Vacation / Personal Days
- Relocation Package
- Scheduled Performance Review
- Perks & Company Funded Business Tools
- Separation Agreement

Since your request for "help" is an open forum for discussion, not an ultimatum, be willing to consider alternative solutions. For example, a requested increase in base pay may be declined but substituted with a performance bonus, additional company stock, a more comprehensive relocation package or other perk. Even in the leanest negotiation, the company may agree to cover Cobra payments or grant immediate vacation days based on your industry seniority.

Employer suggestions that your requests be revisited at a (typically undefined) later date are quite common. This is an excellent opportunity to discuss your immediate company priorities, performance expectations and timeframes for achievement. In this case, tie your compensation review to mutually agreed upon goals, and set a firm date (once again, get it in writing) that you feel will present you as a "hero". A 90 to 120 day review is often a good window to showcase your initial successes.

One final thought is that even in the best of negotiations, no one gets everything. You are embarking on a relationship with Win-Win as your goal. Also keep in mind that any negotiation carries with it some element of risk...a risk you must be willing to accept. I encourage you to get a second opinion (preferably from an experienced source), and that you feel comfortable with your plan. If at all possible, avoid the use of fax and email at this final juncture. Schedule a personal conversation with the employer to discuss your specific situation, remain open-minded, negotiate your best offer and join the company with confidence and enthusiasm.

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