

# 5 Steps for successfully negotiating pay after a job offer



Many people have

been there. You received a job offer, but it's not quite the pay you were hoping for. You could turn it down, but if it's a job you're excited about, or perhaps need, then that's not a viable option. Still, you shouldn't throw in the towel, instead, you should negotiate the job offer.

Your starting pay at a company can heavily impact your future earnings. Some companies, for example, put caps on how much of a pay increase you can get through a promotion. 10% or base pay for the new position. Even if that's not the case, it can be harder to convince management to significantly increase your pay when you get promoted down the line. That means a higher starting pay could also result in higher earnings down the road. Still, even if you're not thinking about long-term earnings, you deserve to be paid fairly for the work you do.

So that leaves you just one option, negotiating your job offer. Many people may be uncomfortable with this, but know that negotiating an offer doesn't mean you're declining an offer. You may still choose to take the lower pay if negotiations fall through. However, in order to maximize our chances of success (and earnings), you'll want to ensure you have a strategy for doing so. So let's walk step by step through how to negotiate your pay after a job offer.

# Step 1: Take a moment

You don't have to accept a job offer immediately, and most companies don't expect you to. Typically you'll receive an offer by phone. Next, more official documentation will be sent over by email or perhaps even physical mail. Either way, ask for at least 24–48 hours to consider the offer. This gives you time to read over the full offer, but also to consider your response.

# Step 2: Do your research before trying to negotiate a job offer

Before you begin negotiating a pay increase, you'll need to do some research. This ensures you're approaching the conversation from an informed place. Here, you want to show that a higher pay range is merited for the work you'll be doing. There are a couple of ways to approach this.

### Look at the pay-range

If the position has a pay-range listed in the job posting, then this will be an easy task. Pull the job description and see how the offer you were made compares with the pay range. Is it near the bottom, middle, or top? If it's near the top, there won't be much room for negotiation, but you may be able to make the case that you deserve the highest pay possible.

Once you've done this, go through the job description and note how much experience you have for each requirement. Additionally, if the job lists years of experience desired, note how much experience you have in comparison. From here, you can come up with a rough percentage for how many of the qualifications you check off. If you meet a majority of the qualifications and the years of experience but were only offered low to midrange pay for the position, you can make a stronger case for increased pay. If you only fall in the middle, and were offer mid-range pay then you can still make a case for more, but it will be a bit more difficult.

### Benchmark your pay range with other positions

Unfortunately, not all companies list pay-ranges for positions. In this case, you'll have to get your data elsewhere. A good place to start is on sites like LinkedIn and Glassdoor, where you can find average pay for positions in your area. See how the pay you're offered compares to the average. Additionally, you can look at other job postings online for similar positions and the pay offered. Compare your job responsibilities with those of these other positions listed, if they largely match up then it's a good point of comparison.

These should only serve as benchmarks. It's also important to remember that pay may vary greatly in different industries. For example, a public sector job may pay a bit lower than private companies but could have better vacation time and benefits. Still, note how your offer compares to a few comparable positions.

# Step 3: Outline your case

This is where you'll create the case you plan to use to negotiate the job offer. This next step doesn't need to be exceptionally detailed, but you should have some solid points. You'll want to use your research from Step 2 to make an overall high-level case.

First, come up with an overarching statement to simplify your key point. Here are two examples:

- I meet most of the job qualifications and fall on the upper end of the experience required, but was only offered the mid-range for pay, I deserve a higher salary.
- Compared to similar positions in my area, the pay I was offered is a bit low. Because I have significant job experience and meet the position's qualifications, I deserve pay more in line with the average.

Next, pull some supporting details. Look through the job description and find 2–3 of the most compelling pieces of information. For example, if the position requires 4–6 years of experience, and you have 6, that's compelling. If the position requires you to manage certain types of projects and you have extensive experience doing so, that's also compelling. You want to be able to provide a couple of quick examples to solidify your case for why you deserve more pay, without getting bogged down going over a laundry list of points from your resume.

### **Choosing a number**

Finally, come up with your number. It's important to be somewhat realistic here. For example, if you're offered 45,000 a year and ask for 60,000 it's likely to be a non-starter. In this case, you may hurt your chances of any pay increase by going too far. As a rule of thumb, it's probably best to keep a request for a pay increase to 10% or less. So in this case, you could consider asking for 48–49,000, assuming your research supports it.

Consider leaving a little wiggle room for negotiation. Determine what the true number you'll be happy with is. If 47,000 is what you really want, then ask for a little bit more to leave room in case they counter offer. Still, keep it within a reasonable range, if your target goal for the above example really is 49,000, then asking for more is probably not a good idea, as requesting 50–51,000 may be pushing too high for an offer of 45,000.

# Step 4: Make the call to negotiate your job offer

It's worth noting initially that you should practice a little bit before you call. It may even be advisable to have a short outline in front of you with your key points. You won't necessarily need to have a full set of handouts, after all, you'll probably be talking via phone in this case. Still, it's good to have whatever materials you need to keep on track and make sure each point is captured in the conversation.

Generally speaking, a phone call is the best option. It's a more personal form of communication and it demands immediate attention. However, if your primary form of communication has been email thus far, it may be appropriate to email instead. Regardless of how you end up communicating, keep the following in mind.

Be concise and to the point. Explain that you wish to discuss your offer and see what room there is for movement on the pay. Additionally, make it clear that this is a negotiation, not an ultimatum. Express that you're very interested in the position, but were hoping for a slightly different number. You don't want to give the impression that a pay increase is a deal-breaker, unless, of course, it is. Still, even if that's the case, doing so may sound more like a threat and could harm your chances of success.

Next, go through your key points you outlined, make your case in just a minute or two. Highlight the top reasons you chose for why your experience merits higher pay. If you're using research from other companies, use average figures to show the gap between other positions and what you were offered.

Keep in mind, you shouldn't expect a response either way immediately. It's likely the HR rep you speak to, or the hiring manager, won't be able to approve this immediately. There will be necessary internal conversations first. If you have the conversation via phone, offer to send a follow-up email highlighting your request and the main points you expressed. This ensures that you're not just relying on the quality of their note-taking to make your case.

Finally, ask when you can expect to hear back and what the next steps are. This will give you an idea of when you should expect an answer. Thank them for their time and consideration, then reiterate your interest in the position and the company.

## Step 5: Wait

Now it's time to wait for a response. Keep in mind it could take a couple of days. If you haven't heard back by

the time you were told to expect a response, then it's fine to send a quick follow-up email checking in. In the meantime, you should think about a couple of options.

### What if the offer is less than you want?

If they do increase your offer, but it's still not as high as you're comfortable with, you'll have to decide what you wish to do. Determine the absolute minimum number that you're willing to accept. It's unlikely that you'll be able to counter offer again, so you need to prepare to either accept or turn down the position.

### What if they say no?

You also should be prepared to hear no. Despite the effort you put in to negotiate the job offer, that doesn't guarantee success. This could be for a number of reasons. For example, only a certain amount may be budgeted for the position. In other companies, despite showing pay-ranges, there may be policies that prevent offers at the highest point of the range.

Next, you must decide if you're willing to still take the original offer or not. Make this decision before you hear back. Regardless of the reason, it's important to thank them for the consideration when you talk to them.

One final option for consideration is to ask about a conditional pay raise. For example, if they're not willing to increase your pay now, ask if after a 6-month evaluation, you could qualify for a boost in pay. This gives the company time to see how you perform on the job and they may be more amenable to it. However, bear in mind that such an arrangement is not a guarantee of a pay increase.

Additional resource: How to ask your boss for a raise, 5 steps for getting the pay you deserve.