

NEGOTIATING THE JOB OFFER

By John M. O'Connor, BA, MFA, CRW, CPRW, CCM, CECC
President - Career Pro Resumes and Career Pro Inc.

If you do not know how to negotiate you will often leave money, incentives, and benefits on the table during your job interview. Negotiating starts at the moment you contact an individual or potential employer within a company. Most of the people that we coach and counsel feel that negotiating starts during the later stages of the hiring and interview process. This incorrect mindset hands the hiring company or organization all the cards.

Negotiations often seem like some Las Vegas card game: You have the feeling that the house (the hiring company) knows the game is rigged, you (the jobseeker) may feel they are eyeing you through the black glass, knowing odds favor them by about a million to one. So how do you, the job seeker, flip the odds in your favor? You had better be informed about how the interview process works or you will come up short in the negotiating game. I have heard every variety of uninformed opinions about interviewing and negotiating job offers. Let me share with you an overview of the psyche of most jobseekers.

Anecdotal evidence, opinions and hearsay often drive their job search and interviewing tactics. Initially hired as an area manager of operations for a biotech company, James knew he made a mistake. He interviewed five times, including an interview with the board of directors in which he really stood out from the five other candidates. The company deliberated and kept him in the interview process for nearly nine weeks. With confidence that things were going well James canceled two interviews with other competing companies. There just wasn't enough time. In studying the prospective company he devoted himself to understanding the company's forthcoming technology innovations and poured over their financials. Finally, at week nine they offered the position to James. The company faxed him a nearly 12-page employment agreement. He read it, signed it and sent it back, then took a quick weekend trip with his wife prior to starting his new job that following Monday.

Sounds like a fairly airtight plan, right? James interviewed, won an offer and started working. It is now two years later. Time has given James some perspective. Over the last two years he realized that, after many discussions, that he lost money in his negotiation processes. He hadn't realized how marketable he was compared to the peer group he interviewed against. He failed to find out how he could have structured a more lucrative employment agreement from the very beginning. Start your new job off right with the right offer. Give yourself every advantage. Most individuals seeking jobs often start with the wrong assumptions. Let's review some critical assumptions and elements that put a person like James or like you at an immediate and long-term disadvantage during a search:

1. DON'T assume you know more about how the hiring process works than the company who is hiring you.

You will never know what the company knows about hiring. Each company or organization sets forth a job description, develops a written job advertisement and then solicits candidates through a number of means.

Candidates hear about openings through current employees, rumors that these employees may leak and other means such as newspapers, corporate website postings, online external postings, trade journals and other mediums. Hiring processes can be driven by immediate, critical or ongoing needs. They could be affected by mergers and acquisitions or multiple, less dramatic other factors. Corporations and organizations must comply with the law and have their own proprietary hiring practices. What is another intangible that most people miss? It is that hiring decision-makers have their own personal preferences in candidates that are not easy to understand.

Personal preferences drive more hiring decisions than most people ever know. Realizing this should let you know that although most companies and organizations hiring practices are beyond reproach the human element will never be removed.

2. DON'T assume you have completely studied the prospective company with which you are interviewing.

James thought that downloading every piece of information about the company from the Internet and reading current news would prepare him completely for the interview and for negotiations he would face. He did ask a few questions and pick up some scuttlebutt from friends about the companies proprietary products and technologies. During the interview he mostly talked up his experience in the biotech market and his knowledge of what the company produced.. James could have sought out many people who knew how hiring worked at the company. He could have done additional research by talking to those individuals who have insight about the company.

According to James: "I could have put myself at an advantage in the negotiation process if I would have sought out some academics that I have known over the years who know the inter-workings of this company. James didn't realize that he could have designed an employment agreement that the company would have signed off on. "So this means that I lost a good bit over the last two years by not setting the sails right at the beginning," says James. "I know if I would have completely studied the company and knew my marketability from their perspective I could have negotiated for more money. It sounds greedy but it's really not." That's the point: jobseekers let emotions dictate too many of the decisions in their search. If James would have found out how creative he could have been with the initial offer he could have structured a much more favorable employment agreement. As James says now: "I just saw this big whopper of an agreement come back, felt like this was a good offer and did not want to rock the boat."

3. DON'T assume you should wait until the end of the interview process to bring up salary and compensation issues.

Because many people like James and others do not know their value to a company and don't spend a lot of time thinking through negotiation issues, they miss out on salary and compensation issue protocol. Know the salary range of the position. Talk to insiders if you can. Know what questions are appropriate for human resources personnel to answer. Know what questions and points you can make with the actual hiring manager. Know how to properly ask your network within the company so that you don't compromise their confidentiality. You may not have an advantage of knowing someone inside a prospective company but that's okay too. Know that salary and compensation issues that are tabled up front often delight an employer and recruiter. How you bring these issues up, your etiquette and listening skills will benefit you greatly to determine your market value and how you can negotiate in the right salary and compensation elements.

4. DON'T assume the company has an ironclad job description that you either fit or don't fit.

It would surprise most people to find out that almost all elements of the job description may change during the interview process. At least part of any job advertisement at the senior level must be redesigned or fit to the individual. Companies don't always exactly know what candidates they'll receive during a search process. There may be minimum standards but for the right person job descriptions will change to fit the growing needs of the organization. Knowing this presents a dilemma and an opportunity. The dilemma remains that you may not know all the elements that are going into hiring. However, the opportunity is for you to ensure that your potential value to the company is truly valued as early as possible. Innovative companies will be ready to deploy these abilities to drive revenue and reduce costs. This makes you more valuable and attractive. You may then convince a prospective employer that these new insights may require or justify a more prosperous offer.

5. DON'T assume that large, typewritten employment agreements with a lot of legal language are not changeable.

If you were a company wouldn't you create documents that seem impenetrable to most people who are hired? "I was so exhausted by the interview process," James says. "I just didn't have the energy to counter-offer. Plus the employment agreement looked unchangeable. It was as it turns out. Many companies expect counter-offers. Counter-offers don't have to be written in legalese. Counter-offers should be informed, serious documents. A proper counter-offer is expected by many organizations. Do most people send them? The answer is no. Like James, most jobseekers think that countering offers may hurt their hiring or make them appear too greedy, too thankless. Let me state this fact - if you were a company you would probably want people to feel the same way. Most companies don't encourage or coach you to negotiate your perfect offer. Most casinos don't offer courses on how to beat or what the odds really are either. You'll find out how good the odds are by checking your pocketbook at the end of the night. The house wins.

So you say the news is not so bad for James. He's hired, doing well and employed. He would agree. But he did not find out what his competitive market value was to the company or in the marketplace. He was so exhausted by the search and interview process he never maximized his potential to design his right offer. It really benefits a company or organization too. It allows them to design proper offers, deploy talent and skills effectively and retain the best people.

In 2004, Mr. O'Connor became the first private practice Certified Federal Job Search Trainer (CFJST) in North Carolina. He is also a Certified Electronic Career Coach (CECC). With a unique fiction writing pedigree with fiction publications as well, he obtained a Master of Fine Arts in Creative Writing from Bowling Green State University. With over 14 years experience in professional career transition, resume writing and career coaching, O'Connor applies his considerable job market expertise to career transitioners nationally.

He has been featured recently (May 2003 and May 2004 feature) in the Raleigh News & Observer, Resume Writers Digest, The Gladiator, Execunet, Career Masters Institute Monthly Newsletter, Monster Career News and other national publications such as JIST. Additionally his diversified experience includes serving as a college professor.