

Offers & Negotiations



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Offers & Negotiation

Job & Internship Guide



Congratulations! Your hard work has landed you a job or internship offer—or maybe even several to choose from. Even so, your search is not complete. You have to choose whether or not to accept an offer and/or negotiate it. As an additional resource, search career.berkeley.edu for “Don’t Blow Your Job Search” and review the job offer section of the page.

Formal Job Or Internship Offers

Offer letters provide formal written confirmation of the position offered, and clarification of terms such as:

- Job/Internship title
- Salary
- Start date
- Supervisor’s name
- Deadline for responding

The employer will let you know if the offer is contingent upon passing a background check or drug screening. The organization may also include benefits information such as health insurance, employee wellness programs, vacation and sick leave. If you do not receive information on benefits packages, you can always ask the employer to send it to you before making your decision.

Benefits may include:

- Vacation
- Sick leave
- Health plans (medical, dental insurance, vision)
- Disability insurance, short-term
- Life insurance
- Relocation/moving expenses
- Stock options
- Retirement (401k or 403b plan)
- Profit sharing
- Educational assistance/tuition reimbursement
- Training and development
- Health and fitness programs
- Bonus—signing or performance
- Commission

Evaluating An Offer

1. List the criteria you were looking for when you started your search.

Examples of possible criteria:

- interest in particular job function (e.g., management, sales, consulting, design, program management, recruitment), responsibilities and tasks
- a setting that will allow you to express your values
- opportunity to work on challenging projects
- sufficient change and variety
- opportunity to use skills and abilities that reflect your strengths
- working independently and/or as part of a team
- likeable supervisor and coworkers
- opportunity to travel or work in a certain geographic location
- opportunity for advancement and professional development
- compatibility with a particular lifestyle; e.g., not working more than 40-50 hours per week
- a certain salary level or availability of perks or incentives
- the organization’s solid reputation and financial status

2. Look over your criteria and give them a number rank: items you definitely want

- items you prefer but could do without
- nice extras to have on the job

3. Evaluate the offer by analyzing how well it meets your ranked criteria.

Does the position include most of the items you definitely want? Or does it only offer one or two critical factors? If you only have one or two of your criteria met, will the position bring you satisfaction or will you be looking for a new opportunity soon?

- If you need more information or time after evaluating the offer, do not hesitate to ask the employer. If you are weighing more than one offer, apply the same evaluation criteria to each of them to see which appears to meet them most fully.
- If you are having a hard time making a decision, see a career counselor to talk about decision-making and weighing your offers. Go online to schedule an appointment.

CAN I ASK FOR MORE TIME?	HOW DO I ASK FOR MORE TIME?
<p>Yes, but be prepared to explain why you need it and how much time you will need. Employers may not be able to give you more time, so also be prepared to make a decision if extending the offer deadline is not an option.</p> <p>You may receive an offer from one company before a preferred company extends an offer. Let your first choice know you have received another offer, but that you prefer their opportunity. If your first choice company is truly interested in you, they will speed up their process if possible. If this is not possible, or if the company who made the offer is unwilling to extend your deadline, you need to make a thoughtful decision about what to do. If you feel unsure, schedule an appointment with a career counselor.</p>	<p>First, be enthusiastic and thank the employer for the offer. Then, use these sample scripts to ask for more time to consider it:</p> <p>“I am excited about the opportunity to work at XYZ Corporation and pleased with your offer. I know I would do an effective job for you. However, this is an important decision for me and I need time to consider it.”</p> <p>“May I get back to you by ____?” or “How soon do you need a reply?” or “Can we make an appointment to meet and discuss this?”</p> <p>“I have a previously scheduled interview, and it is important to me to honor this commitment. In order for me to make the best decision, I’d like to request more time.”</p>

Negotiation

Should I Negotiate?

If you conducted salary research and found that the offer is fair, you may decide to accept it. In other instances, you might decide to negotiate. Keep in mind that entry-level employees do not usually have a lot of latitude for negotiation. Employers are also less likely to negotiate in slower job markets. Some employers have a policy of starting new employees at a set pay rate, while others allow for some negotiation. Public sector employers often have salary scales for various classes of jobs, and inexperienced hires generally start at the first step on the salary scale.

Basic Salary Negotiation Principles

An interviewer may raise the subject of salary and benefits any time in the interview process. Avoid being caught off guard – be prepared to negotiate.

- Do your homework; research the market salary range for someone with your level of experience in your target industry. For links to additional resources, search the Career Center website for “Salary Information.”
- Other factors to consider:
 - o **Location:** What is the cost of living for the local area? For example, entry-level Bay Area and Northeast salaries are higher than in other states. National salary surveys often reflect mid-level rather than entry-level salaries. If you plan to relocate, consider that a “low” salary by Bay Area standards may be more than adequate in other states.

- **Public vs. Private:** If the position is with a public organization such as a hospital, school or government agency, there is often a pre-determined salary for all levels of employment listed on their website. Private companies will determine the salary depending on factors such as education, technical skills and experience.
- Timing is important. Until you have a clear understanding of the job (so you can determine what would be fair compensation) and have had an opportunity to discuss your qualifications, it is premature to discuss salary. To the extent possible, do not bring up salary early on, and avoid being the first to name a salary or a salary range.
- If you do have to reveal your salary requirements or your last salary, give a range (e.g., low 50's, mid 60's or high 40's) or \$45,000-\$50,000.
- When you get an offer, ask for it in writing and ask the employer to clarify any aspects that aren't clear to you.
- A successful negotiation involves being both assertive and cooperative.
- If you are successful in any aspect of your negotiation, ask for a new offer letter that reflects any changes.

What Else Can I Negotiate?

- **Start date.** Give yourself a vacation before you start work. Remember that new employees must accrue vacation time. It may be a while before you become eligible to take a vacation.
- **Early performance review and salary review.** Propose an early review date tied to a potential salary increase.
- **Vacation.** If you want an extended ski vacation in December and you start work in August, negotiate in advance for the time off.
- **Professional development.** Employers often cover professional association dues and conference fees. Some employers offer tuition reimbursement as well.
- **Relocation expenses.** Reimbursement for moving expenses.
- **Flex time.** Nonstandard work hours can help lessen commute time and accommodate other interests.
- **Signing bonus.** A one-time cash bonus received when you start working.
- **Performance bonus.** Received at the end of the year and based upon your performance or the organization's.

How to Negotiate

- Before you contact the employer, plan what you want to say and practice aloud with a friend, family member, or career counselor.
- Approach the employer early in your decision-making process and maintain professionalism throughout all interactions.

Strategies:

- Continue to show enthusiasm and provide reasons to support your request, such as relevant internship experience, special skills, high GPA, or current competing job offers. Employers are not interested in any personal reasons you may have for needing or wanting a particular salary (e.g., debt, wanting to make what your best friend makes).
- Ask whether it would be possible to have a performance review in a not-too-distant time frame (e.g., 90 days or 6 months).
- Propose a discussion of the other aspects of compensation (of monetary or intrinsic worth) to help increase the value of the offer.

Language:

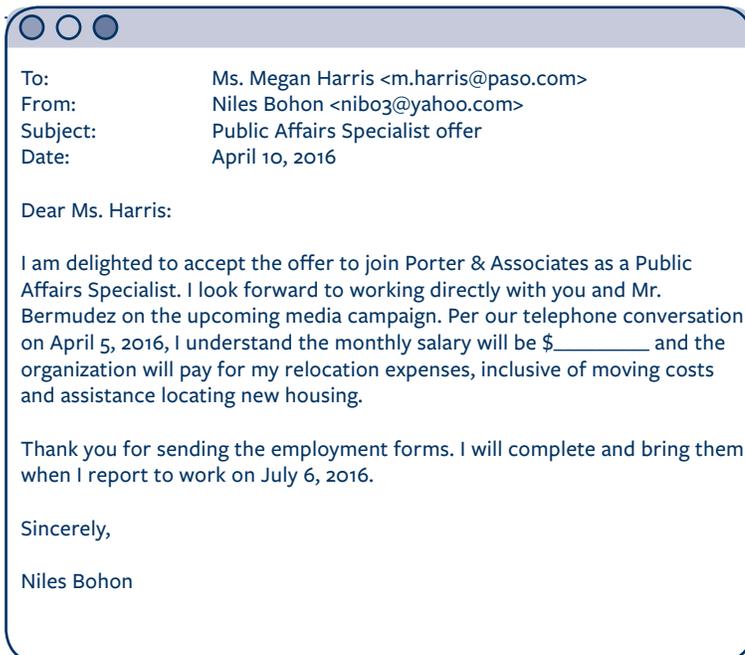
- "This is somewhat less than I expected. In doing my research, I've seen a range of \$___ to \$___ for someone with my skills and background for this kind of position."
- "Based on my research and my internship experience and skill set, would you consider the range of ___ (e.g. \$55,000-\$65,000)? Is there any flexibility on this offer?"
- "Could we establish a 90-day evaluation period, and if I meet my goals, re-visit my salary?"

Accepting An Offer

Respond to any offer in writing.

Accepting an offer:

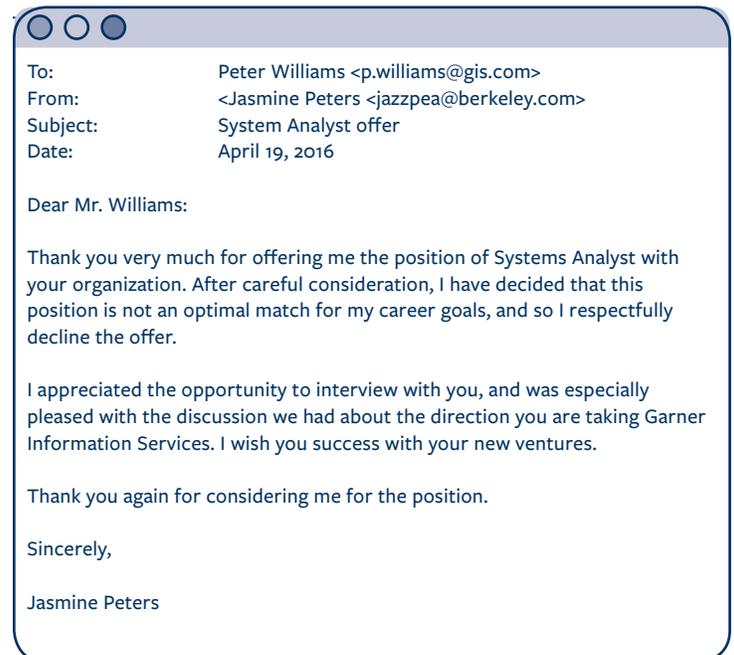
- Sign and send it back to the employer by the agreed upon deadline. Keep a copy of the letter for future reference.
- If your application is pending with other employers, let them know that you have received an offer and wish to have your name withdrawn from further consideration. It is unethical to continue interviewing once you have accepted an offer.
- Inform your references and other contacts of your job or internship status. Thank them and periodically update them on your career trajectory.



Declining An Offer

Declining an offer:

- Contact the employer formally by email and indicate your appreciation for the offer and the opportunity to interview. State that you are declining their offer. You may tell them why, although you are not required to do so.
- Decline offers as soon as you are no longer interested in them or immediately after accepting an offer from another organization.



Exploding Offers

Exploding offers are offers with “short fuse” deadlines. Employers may attempt to pressure you into accepting their offer immediately, thereby lessening the opportunity for competing offers.

Examples:

- An employer requires candidates to accept offers within a very short time frame (24-48 hours).
- An employer gives signing bonuses only to candidates who accept offers immediately (24-48 hours).
- An employer extends offers to candidates that exceed the number of openings available, and tells candidates that they will be hired on a first-come, first-served basis.

In a tight market, employers may use these questionable tactics. If you ask for more time, some employers may provide more time; others will not. If faced with an exploding offer, schedule an appointment with a career counselor as soon as possible.

Do Not Renege On An Offer

Companies spend thousands of dollars to recruit you, and if you renege on your commitment with little notice, it will be unlikely they will be able to replace you. Other students may have really wanted the job and you will have robbed them of the opportunity. Additionally, you could damage not only your own reputation but also that of the Career Center and university. Recruiters have large professional networks and change jobs or companies often. They will take their knowledge of your unethical behavior everywhere they go and it is likely you will encounter the company representatives later in your professional life.