

## INTERVIEW-QUESTIONS-ANSWERED.NET

Thank you for contacting us at [www.interview-questions-answered.net](http://www.interview-questions-answered.net) for more information about Salary Negotiation. This article was inspired by a chapter in the excellent book 'What Color is Your Parachute?' by Richard Nelson Bolles, an essential for anyone looking to change direction particularly in respect of their career.

We hope it helps you get the job of your dreams and the salary to go with it!

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[www.interview-questions-answered.net](http://www.interview-questions-answered.net)

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### Salary Negotiation

#### Question.

How much salary do you expect to earn?

**Answer:** *'At least half of it!'*

### Salary Secret One

#### **LIKE YOU, LOVE YOU, WANT YOU, MUST HAVE YOU.....**

There is an unspoken process in interviews that means when the candidate enters the room the interviewer holds the power. They don't know who you are and are cautious. They don't know if they want you - yet.

The candidate's number one priority at that point is to create a good first impression. It is important the interviewer starts to 'like you'. Smiling, looking professional, being interested and answering the first question competently all contribute to this.

The aim is then to get them to 'love you'. You answer their questions and describe how your skills, experience, knowledge and background matches the job they have vacant. If you follow the guidance on our website you will know how to do this.

Towards the end of the interview you need to get the recruiter to a point where they not only love you, they **MUST** have you! This means remaining positive, confident, creating rapport, having ideas for the future and asking the right questions.

If you do this you will hopefully get to the point where they've 'got to have you'. Once you get here you are at a point where they will be more amenable to a higher salary. Until they are at that point any discussion about salary is academic.

## Salary Secret Two

**YOU MUST** be prepared to negotiate

It is so easy once you get the offer of the job to be so flattered that you accept it. You say 'yes' without having agreed the salary or for that matter any of the terms of your employment.

**OR**

In your excitement you agree to a salary below what you wanted.

In order to avoid having to learn a painful lesson after the event please take our advice **NOW**.

**BEFORE** accepting a job always ask about salary. And once you've asked and they've told you, still do not accept.

**Response:** *"I would love to accept the job as it's just the right challenge for me and I know I can bring a lot to the job, but I am a little disappointed with the salary you are offering"*

Negotiating salary makes us feel fearful and ill prepared. We don't want to appear greedy, needy, too expensive or too cheap. We are not brought up to be open about such 'private' matters.

**REMEMBER.** Being coy about salary works only to the employer's advantage. Generally if they want you, they will pay what you are worth. With these notes to guide you and our '**Ten Secret's**' you can and will negotiate. In so doing you will get much closer to the salary you dream of.

## Salary Secret Three

**NEVER** discuss salary until they have definitely said they want you.

Assuming the interview (s) is going well it gets increasingly likely a job offer will be made.

It is time for you to get out of your shoes and into the employers' for a moment. The balance of power starts to shift. Their fear is now that for some reason they've found you and they 'must have you', you might not take the job. That includes concern about whether they can afford you?

Yes, really. You of course are still worried about whether they want you at all, not so much whether they can afford you. But leave this aside for the moment. The salary ball is in their court, not yours. Let them do the worrying.

Most interviewers these days will be prepared to negotiate salary and will definitely have some leeway, usually around 10%. Few employers will make an appointment on the basis of cost alone.

But once you know they are interested in you the power shifts, you can move into the driving seat.

**The number one rule is** not to be specific about either what you are earning or what salary you require.

**Number two** is to keep any discussion of salary out of the interview room.

Here is our advice on how to handle the following questions. There is more on our website

<http://www.interview-questions-answered.net/salary-negotiation.html>

### Question

*“What kind of salary are you looking for?”*

### Possible response 1

*“Until you’ve decided you definitely want me and I’ve decided I could help you with this job, I feel any discussion of this job is premature”*

**Possible response 2** (if the interviewer asks you what salary you require right at the beginning of the interview)

*“I’ll gladly come to that but first could you tell me what the job involves”*

**Possible response 3** (If the interviewer starts being heavy with the “don’t play games with me, what salary are you looking for?”)

At this point you must give a range, for example; *“I’m looking for £35,000 -£45,000 “*

If the interviewer doesn’t let it go at that point it means that the employer is being very inflexible, is not co-operating with you and is probably going to make a decision on the basis of cost.

If you find yourself in that situation you can use response 4. Continue to resist the urge to tell them directly what you are looking for.

### Possible response 4

*“Do you mind me asking what salary range you had in mind?”*

And if they tell you, say *“thank you I will need a little time to think about this?”*

## Salary Secret Four

**The purpose of salary negotiation is to uncover the most an employer is willing to pay to get you.**

The employer is almost never likely to declare initially the most they are prepared to pay to get you. If they did the negotiation would be over. Assume that any offer of salary is the bottom of their range. For example if their top offer is £20,000 they would probably say “we are thinking of around £18,000”. Remember they want to reduce their costs and want to get you for under their top figure if they can. Whatever they offer you mentally add on what is going to be their range.

For example if they say £10,000 they may go up to £12 or even £13k. If they say £50,000 the range may well go up to £55/60k. £85k might mean £99k and so on. You will have to guess but it will give you a good guideline.

## Salary Secret Five

### Never be the first one to mention a salary figure

It has been proved that the first person to mention a salary figure generally loses i.e. the recruit gets less than they could have or the employer ends up paying more. Why is not always clear but experience bears this out.

Most interviewers and interviewees don't know this so you can now work this principle to your advantage. However some employers do and they will casually drop the question "*What salary are you looking for*" into the conversation.

Of course this is very flattering to the person being interviewed and with their guard down may easily let slip an answer they will regret later. Do not fall for it! Keep your wits about you and have faith –whoever mentions a salary figure first generally loses the negotiation.

## Salary Secret Six

### Do some careful homework –how much will you need if you are offered the job?

The most important thing with salary is to make sure it is enough to cover your expenses per month. Tedious as it may sound, sit down and work it out. What do you need to pay mortgage, basic bills, loans, overdrafts, car expenses, leisure, savings, and holidays? Add it all up and multiply by 12. This is the income you need each month but it is not equivalent to your salary. You will need to add roughly a third on top to cover taxes etc (if you live in the UK). This is going to be roughly the gross salary you need to cover your living expenses once tax has been taken off.

This is well worth doing as it gives you your 'bottom-line' for your salary. Unless of course the job is so fantastic you are prepared to compromise your lifestyle to take it.

You can then add anything extra on that you would like to make – that becomes your range with your actual expenses plus tax being at the very bottom of your range. For example your range might be £20k is what you need and is the minimum you could accept but your desired maximum is £25k.

Of course your maximum has to be realistic and within what would be acceptable to the employer. See below.

## Salary Secret Seven

The most successful negotiation will take account of what the employer is likely to pay

### Do some careful research on typical salaries in your field and/or that organisation.

1. **Salary checker.** The easiest way is to visit salary checker sites for the country you want to work in.

Here are some UK sites:

<http://career-advice.monster.co.uk/salary-benefits/pay-salary-advice/salary-calculator/article.aspx>

<http://www.reed.co.uk/CareerTools/SalaryCalculator.aspx>

<http://www.paywizard.co.uk/main>

Hopefully these will give you a guide though of course they may not be completely accurate or up to date.

**2. Ask around.** People are often reluctant to say what they earn and even if they do they may inflate (or deflate) depending on what they think you want to hear. But it is a start and you can add it to your other information and calculate an average. You could also ring the Human Resources department of the organisation you are applying to. *'Before I apply could you tell me the salary range for the job?'* If you get a nil response ask to speak to someone more directly in charge of that job.

It is pointless applying for a job if you have no idea of the salary so be as insistent as you can.

**3. Look at job ads.** They often give a salary range. For the reasons above go for mid-way on that range and use it as a basis for your calculation. They may not disclose the salary on the advert so you may need to ring/email for information. It is perfectly acceptable to ask the questions as above. i.e. *'Before I apply could you tell me the salary range for the job?'* If you get a nil response ask to speak to someone more directly in charge of that job.

After all you if you are just doing some research and are probably not going to be applying for this job so you can be more insistent. You only want information so you have nothing to lose. Keep a record of lowest and highest salaries.

**4. Contact temp or interim agencies** you know recruit in your field either in person, by phone or on line. Reed is one of the biggest agencies in the UK [www.reed.co.uk](http://www.reed.co.uk) . Explain you are doing some research as you have a job interview coming up and you may find they will help you or point you in the right direction

**5 Check public sector salaries.** They are generally easier to identify and are more publicly accessible as there is usually a clear grading structure. Even if you are applying in the private sector it is worth discovering what the public sector salary would be, if of course there is a similar type of post.

Whereas once public sector jobs paid less than private this is not necessarily true in these economic times so they can be used as a useful reference point.

## Salary Secret Eight

**Define the range the employer has in mind and then define a range for yourself.**

### The employers range

By following the advice above you should have an idea of the employers range. If you have drawn a blank you could try working out what those 'below' you in the management structure earn and what those 'above' you earn.

Even if you can only get one of those it should give you an idea of where the range for your job is going to start or finish. Once again if you draw a blank in the organisation you are applying to, try to

get this information from a similar organisation in roughly the same location. Knowing what the competition pays may prove very valuable when you come to negotiate your salary.

You could say; *“my research tells me others (the competition) pay in the range of £xxxxxxx”*

OR; *“that’s an interesting offer but my research tells me that others pay in the range of £xxxxxxx”*

### **Your own range.**

You have already worked out what salary you actually need but now you need to slot that into the employers range.

**Your minimum needs to hook in just below the employer’s maximum.** So if they have a maximum of £30,000 your minimum would be pitched around £28,000.

When they make their opening offer it will be below your minimum –in this example around £25k, you say:

*“I understand these are difficult times but I believe my experience and contribution would justify a salary of (you now say your minimum and go up to just over their maximum in this example £28,000-£32,000)”*

Hopefully they will now move their offer much nearer to your minimum (so make sure your minimum is what you need!).

It will help a lot if you can then bring in something extra you can offer to help the company make more money/save money. *“In view of the fact I can bring in ideas on how to save production costs by 25% could we go a little higher?”*

If they now offer your minimum and you believe there is scope to push a little more say something like:

*“Thank you, that is closer to what I was hoping for but could we push it a little nearer to the (in this example) the £30,000 mark?”*

Hopefully using this method you can achieve close to the maximum salary the employer will offer. And we guarantee you will have negotiated more than if you had just accepted their first offer.

## **Salary Secret Nine**

### **Know how to bring the salary negotiation to a close**

Now you have the salary agreed don’t just leave it hanging. You now need to agree the fringe benefits. Fringe benefits such as car, pensions, health insurance, holiday allowances can add anything from 15-30% to a salary.

Here is a list of possible benefits. Work out the ones that mean most to you and what their potential value is.

- Cash bonuses, profit share, commission, overtime, performance related pay, bonuses

- Time off, flexitime, holidays, cover for child care days
- Sickness, absence and sick pay
- Car including company car, fuel allowance or car allowance, car lease schemes
- Training and professional development opportunities
- Medical benefits including private health insurance, health club, gym membership
- Pensions including private or public schemes, pension contributions
- Child care and flexibility with child care arrangements
- Share options
- Termination notice, unpaid leave

Remember to ask what benefits you care about and negotiate around them. For example you might give up one to help achieve another that to you is more valuable. For example flexible working may be worth far more to you the gym membership or private medical insurance. The idea is to know what you want before you actually nail them down.

Another thing you must clarify is their policy on future rises.

*“If this job works out as we hope, when can I expect a salary increase/review?”*

## Salary Secret Ten

**DON'T FORGET TO GET WHATEVER YOU HAVE AGREED IN WRITING BEFORE YOU FINALLY ACCEPT THE JOB AND SIGN THE CONTRACT.**

Many employers are prone to 'forget' what they agreed at interview and of course bosses eventually leave. You do not ever want to hear the words “well they exceeded their authority and we can't be held to that” You need a proper contract with the terms clear. Only then, agree to take the job.

You would be surprised (or maybe you wouldn't) by the number of people who start a job without all this in place not even the salary and holiday entitlement. Don't let it be you.

## THE GREATEST SECRET

If you have negotiated hard and got yourself the best deal you can, you are still not quite 'there'

If you have driven a hard bargain (or for any other reason) you may get the call telling you that the 'powers that be' have put all hiring on hold! You are no longer needed.)

NEVER to put all your eggs in one basket, don't give loyalty and high expectations to any organisation who has not yet earned it – always, always have an alternative.

Come back to our website and take look at our Career Development resources and don't forget to have that Parachute ready.

*With thanks to “What Color is Your Parachute” by Richard Bolles*