



Knowing how to negotiate is an important skill. Negotiation can feel self-serving; however, asking for fair reimbursement for your skills and time is a form of stewardship. To negotiate, or advocate, for yourself, you must know several things:

- Know how much money you need to live well
- Know what range of compensation is normal for a person in your field with your skills and experience
- Know what areas of your employment contract are negotiable
- Know what special skills, assets, or characteristics you can leverage.

What do you need?

Create a budget that reflects the reality of your living circumstances. Research the cost of living in your desired area and add up your expected monthly expenses (i.e. insurance, student loans, cell phone, etc.). Multiply your expected monthly expenses by 12 for a yearly estimate. Add a 22% tax rate to your total to determine a minimum salary.

Twin Cities Cost of Living	
Housing (with insurance)	\$ 1,600.00
Transportation (with insurance)	\$ 400.00
Food	\$ 300.00
Debt Payment	\$ 280.00
Cell Phone	\$ 80.00
Medical	\$ 150.00
TV Service and Streaming	\$ 40.00
Clothing	\$ 15.00
Savings/Retirement	\$ 500.00
Personal and Discretionary	\$ 100.00
Total Monthly Expenses	\$ 3,465.00
Total Annual Expenses	\$ 41,580.00
Required Salary (Before Tax)	\$ 50,727.60

What to expect for your type of role?

Look up several sources to determine average salary information:

1. The Bureau of Labor Statistics provides regional and national information of the salaries.
2. Glassdoor has crowd-sourced information on salary information for specific roles and organizations.
3. Websites like Indeed and Salary.com also have general salary information.

What is negotiable?

Most forms of compensation are negotiable, with salary/hourly pay being the most commonly negotiated compensation. Programmatic benefits, such as medical insurance and time off benefits, are rarely negotiable because the employer must demonstrate equity and consistency in how they administer these benefits. Here is a list of some negotiable benefits:

1. Salary or rate pay
2. Bonuses & incentive pay
3. Moving expenses
4. Transport expenses, such as parking reimbursement, bus passes, or use of company cars
5. Start date/ time & initial time off requests
6. Hour flexibility & remote work
7. Timing and amount of pay increases
8. Education reimbursement

It is important to research what is typical ahead of time and prioritize what is most important to you. Many factors influence negotiation and its effectiveness. Ultimately, you want to have a formal offer (aka "employment contract") in hand. Handshake promises on pay or benefits are unreliable.

What special skills, assets, or characteristics can you leverage?

It is important to be aware of any areas of advantage you may have in a negotiation process. Is there anything you offer that sets you apart from the competition?

Perhaps you know a second language. Perhaps you can start the job or relocate very quickly. Perhaps you are an amazing softball player and the company is desperate to win the tournament trophy. It helps to do informational interviews with individuals who work within the company, similar roles, or in related managing roles and ask them about the skills, assets, experiences, and characteristics that are most helpful and sought after in the employment market.

Of course, experience is always a point of advantage. If you bring experience with other similar tasks or experience in the company with which you are negotiating, you greatly reduce their risk in hiring you. Internship experience in the company is also a big asset. You are a proven entity – an important point of leverage for you.

Tips and Tricks to Make the Ask:

Unfortunately, asking for an increased benefit or pay is always uncomfortable. Practice power poses, wear clothes that makes you feel strong and confident, or call a friend who can pump up your ego. Here are a few reminders when you make the "ask".

1. Be specific. Avoid giving a pay range. A good starter statement may be, "We are little far apart on salary. I am at \$XXXXXX."
2. Your "ask" should be higher than your need. For example, if I need to make \$54,000 to take home \$41,000, I may want to make my "ask", \$58,000. By doing so, I leave room to counter and still hit my minimum take-home figure.
3. Don't explain. Avoid giving the sob story of why you need more money. You have done your homework and no the value of what you are asking.
4. Give it time. Hiring and compensation decisions are not usually made on the spot. Be patient. Follow up in a few days. Don't concede until you hear a "no". If you hear a no, consider other areas of negotiation.
5. Know your bottom line. You need to be prepared, in advance, for the next step. If the company submits a new offer, you need to counter or accept. If the company says they cannot negotiate in one area, see if there is a concession in another benefit area. You do need to be prepared with a bottom-line number. You need to know what offer you cannot accept. Most people pick a minimum number. For example, I cannot accept a job that pays less than \$54,000 a year. Having a bottom-line protects you from committing to a job that creates debt.
6. Be honest. If this is a company and job you want to have, tell them. A good phrase is, "I really want to join your team, but our salary figures are too far apart. How can we make this happen?"