

EVALUATING AND NEGOTIATING JOB OFFERS

Job Search Endgame

As a PhD or postdoc, you've invested considerable time and effort in your education and job search, and now it is about to pay off. It is an exciting time, but potentially confusing and stressful. We offer these brief guidelines to address common concerns related to anticipating, weighing, accepting and/or negotiating job offer(s).

Receiving the Offer

Thank the person extending the offer and express enthusiasm for the position. Reiterate how important this decision is for you and ask for some time to think it over in order to make a good decision. If it is a verbal offer, ask about getting the offer in writing so there are no misunderstandings. Ask when your response is expected.

An offer letter, at minimum, states your job title, salary, expected start date and your department or supervisor's name. It may further enumerate your benefits and/or briefly describe your responsibilities.

Managing Multiple Employers

You have a job offer in hand. Or you may sense an offer is imminent; sometimes an employer will tell you outright, "We plan to make you an offer." This is a great time to reconnect with any other prospective employers that are still considering you as a candidate or finalist. Contact those employers to inquire about the status of your application and their timeframes for

making a decision. Reiterate your enthusiasm for the position, alert them that another offer is in hand or seems imminent, and ask about the possibility of them accelerating their hiring process.

First, Evaluate the Big Picture

Ask yourself the following questions about the position(s) you are considering. It may be helpful to compile your answers in a spreadsheet or similar document. If these factors are not a good fit, it will be difficult or impossible to rectify them through negotiation. Think carefully whether you want to accept or decline the offer.

Revisit Your Values and Preferences

What do you find important and fulfilling about your work? What are your values and priorities? How do you prefer to work? What work environments do you prefer?

And finally: How well aligned is your job offer with your goals, values and preferences?

Assess the Organization and Industry

Research the financial stability, growth, and trends of the industry and organization.

What growth or trends are happening in the industry?

How financially stable is the company? Has it had significant layoffs recently?

If a startup, is it well funded? Is it likely to meet milestones to secure future funding?

Will you have appropriate resources and/or budget to support your work?

What are the opportunities and expectations about publishing your work?

Is there a budget for conferences, travel and/or professional development?

Helpful resources:

- The Vault/Career Insider at studentaffairs.stanford.edu/cdc/services/career-library offers informative industry overviews
- Google Finance has profiles and news feeds for most businesses

If you have questions, address them with the organization contact before accepting the offer.

Review Your Role and Responsibilities

Review the responsibilities and daily activities of the position. Consider additional information you gathered while going through the interview process. Does this position seem interesting and engaging? How does it fit with your long-term goals?

Evaluate the Offer

Ultimately, you will accept, reject, or try to negotiate changes to the offer. After determining the industry, organization

and position are a good “fit,” evaluate the details of your job offer.

Salary and Market Value

Salary doesn’t necessarily correlate with the value you add or the contribution you make to society. It’s what the market will bear to purchase your services, which include your skills, expertise, knowledge, and special talents. Check studentaffairs.stanford.edu/cdc/jobs/salary, your professional society or the NACE *Quarterly Starting Salaries Survey* in the CDC Career Resource Library to determine a range for your market value. Often recent graduates don’t have the experience or expertise to warrant a higher salary. However, exceptions that may justify a higher salary include:

- Proven expertise in a specific and sought-after area
- Relevant work experience through previous industry experience, internships, or summer jobs
- A written offer for a higher salary from another organization

The Overall Compensation Package

Salary is only one part of a total compensation package. Your package might include any of the following:

- base salary
- signing bonus and/or relocation expenses
- medical, dental, and vision insurance
- life insurance, accidental death insurance and disability benefits
- 401(k) or other retirement plans (and perhaps matching contributions from the employer)
- pretax contributions for child or elder care
- bonuses based on performance and/or profit sharing
- stock; discounted stock purchase plans and/or stock options
- paid sick leave, holidays and vacation time and/or sabbaticals
- reimbursement for future education

- laptop computer and/or technical equipment
- flexible work schedule
- extras such as commuting allowance, parking subsidy, health club membership, etc.

Ask your HR representative to explain the benefits package before you make a decision.

Some organizations offer a fixed package that is not negotiable; other organizations may be willing to negotiate on salary, bonuses, stock options, date of salary review, relocation costs, or extras.

Though many people focus on the base salary, these other items may significantly impact your income and/or quality of life, both now and in the future. One position may offer free meals and a higher salary in San Francisco, an expensive city. Another may offer a lower salary but match contributions to your retirement plan in a different city with a lower cost of living and less expensive housing. You will need to conduct a cost/benefit analysis to determine which is better for you.

Preparing to Negotiate

Do You Want or Need to Negotiate?

The only reason to negotiate is to get fair market value for your skills, experience and knowledge. You are not obligated to negotiate; do not negotiate for negotiation’s sake. Some job seekers believe they are expected to negotiate, or that salaries should be negotiated as a general principle. Although organizations respect employees who can articulate the value they add, recent grads (or anyone else) can quickly alienate potential employers if they are inappropriate or go overboard in negotiating to “get a fair deal.”

Organizations, large and small, generally establish salary ranges for each position based on standards and general practices for the field. Organizations determine where an employee falls within the salary range based on experience and special expertise or knowledge. Recent graduates, with limited experience in entry-level positions, generally will be paid in the low- to mid-range, reserving the midpoint salaries for more experienced individuals.

It’s in the organization’s best interest to compensate you fairly. Organizations want to hire and retain good employees. Hiring and training new workers is costly. Organizations do not want to make low offers that are rejected and then have to repeat the recruiting process. Nor do they want you to leave to work for other employers—potentially competitors—that offer better compensation.

When Should You Negotiate?

- **After you have received a formal offer, preferably in writing.** Having detailed discussions about compensation before this point could eliminate you prematurely from consideration.
- **You have decided that the overall opportunity is a good fit.**
- **You understand how your skills benefit the organization.** This may be difficult to assess with limited work experience. In this case, try to identify the needs of each person who interviewed you. How are you a solution to their problems/challenges? Then, when you’re negotiating, you will

have specific ideas about how you will add value. You will be able to confidently state that you are worth \$5k more because of your ability to create specific software, design the new manual, or write the necessary grant proposal.

- **The offer does not reflect the fair-market worth of your services in this field.** Research salary ranges for your role and industry. These facts will help you determine if the compensation is reasonable, and support your argument for a higher salary. You’ll be more persuasive if your negotiation is based on verifiable evidence. Familiarize yourself with the entire package before initiating negotiations; employers who can’t offer a higher salary may instead offer “perks” such as extra vacation days or free parking.
- **You are clear about what you want and what you need.** What aspects of the job offer are essential for you, affecting the tipping point of whether or not you accept or decline the offer? What aspects are sweeteners, but won’t change your decision? Where are you willing to

compromise? What is your “walk away” point—the barest minimum you need for the offer to be acceptable? Envision your ideal (yet realistic) outcome from the negotiation. At the same time, identify several backup options that are acceptable should your first request be denied.

- **You know your alternatives in case negotiations fail to produce the changes you seek.** If your negotiations produce all

the changes you requested, you should be prepared to accept the amended offer. If your negotiations produce some of the changes you requested, you’ll have to decide whether it adequately satisfies your needs and exceeds your threshold for accepting the position. If negotiations fail to produce changes that will make the position acceptable, you will probably decline the offer—but talk to a career

counselor or someone you trust before you do. It is important to clearly assess your alternatives. If negotiations fail, what is your next Best Alternative to a Negotiated Agreement (BATNA)? Do you have other offers? Will you hold out for another employer to make an offer? Can you sustain your current employment (or unemployment) situation?

Negotiating

Negotiation is a process for reaching an agreement on what an organization will pay for your skills, knowledge and expertise. Your success in negotiating for higher compensation (and the only reason you should be negotiating) depends on evidence suggesting your market value is higher than that reflected in the offer. Contrary to popular belief, this is not an adversarial process. It is in your best interest and the organization’s to come to a mutually beneficial agreement. Adopt a Win-Win or No Deal mentality.

You will usually negotiate with your Human Resources representative, but sometimes the negotiation is conducted directly with your manager. If you are unsure, you can ask.

What to Say and Do During a Negotiation

Ask the employer to explain how compensation is determined, and then listen. Ask how your distinguishing and exceptional strengths and expertise were accounted for. State clearly and succinctly the evidence suggesting your compensation should be higher, and then listen.

Here is a sample script for the negotiation process:

Student: “I want to say again how extremely pleased I am to have the opportunity to work with you and this organization. However, I would like to discuss the compensation.”

HR Rep: “Sure. What questions do you have?”

Student: “First, I’d like to know how your organization structures salary ranges to understand how this salary was determined. I want this to work for both of us.”
Listen to the response.

Student: “What flexibility is there with the starting salary?”
Listen to the response.

Student: “I understand the organization prefers to bring inexperienced graduates in at the lower end of the range for this position. However, I feel this offer does not reflect the experience and perspective I gained from working in this industry prior to starting my PhD.” (If you have other hard salary data from your research, diplomatically mention it here.)

If the salary is not negotiable, suggest the next option from your backup plan (such as a higher signing bonus, if applicable, or early performance review,) then move on to any other part of the job offer that you would like to negotiate.

For further help with negotiation, consult *Perfect Phrases for Negotiating Salary and Job Offers* by Matthew J. DeLuca and Nanette F. DeLuca in the CDC Resource Library.

Negotiating Other Elements

Salary is important, but other elements of the job offer may be important to you as well. Some of these items will be negotiable; others not. Perhaps you have already committed to a much-needed vacation after you complete your dissertation. Adjusting your start date or arranging for extra time off could be very important to you. Things that mean a lot to you may incur little or no cost for the employer. For example, if reducing a long, stressful commute improves your quality of life, ask about telecommuting (working from home) for one day a week. Negotiate creatively, but always in good faith and with a Win-Win attitude.

Accepting and Rejecting Offers

If you and the company have come to a mutually satisfying agreement, ask for something in writing that reflects your mutual understanding. If negotiation produces changes to the original offer, ask for an amended offer letter so all parties are clear about the revised offer. To accept the offer, sign and return the (amended) offer letter by the agreed-upon deadline. We recommend including a short job

acceptance letter as well (see the sample in this section, as well as others in the CDC Career Resource Library). You will likely phone or email your contact to enthusiastically accept the offer, and inform the employer that the signed document is on the way.

If negotiation failed to produce a mutually satisfactory agreement, you must make

your decision based on the employer’s final offer. In this case, you would generally phone your contact to express gratitude for the consideration and offer, but to politely decline the offer. Follow up this call with a formal written letter or email that declines the offer in a clear, polite and professional manner (see samples in this section).

Ethics and Etiquette

Candidates and employers have a joint responsibility when accepting or extending a job offer. The CDC expects recruiters will abide by its policies and by the ethical standards of the National Association of Colleges and Employers. These guidelines include the statement that employers “will refrain from any practice that improperly influences and affects job acceptances . . . including undue time pressure for acceptance of employment offers.”

The CDC expects students to observe similar ethical practices, including the following code of conduct:

- Once you accept an offer, you have made a commitment to that employer and it is

your ethical responsibility to discontinue interviewing with other employers. After you accept an offer, you are no longer eligible to interview through the CDC’s Cardinal Recruiting Program.

- If you accept an offer, and later a better offer comes along, remember that you have made a significant personal and professional commitment to the first employer; you should honor that commitment. Reneging on a job offer is highly unprofessional. If you are unsure about accepting a job offer, it is always better to negotiate for more time to make your decision than to accept the offer prematurely and later rescind your acceptance.

Consider the reverse situation:

An employer offers you a job and later a stronger candidate comes along. How would you feel if the employer called you to withdraw its original offer to you? Clearly that would be unacceptable. The recruiting and hiring process works best when all parties adhere to ethical and behavior.

(In rare cases, a candidate who has already accepted an offer may find him- or herself in an unusual position with extenuating circumstances, such as a family emergency; CDC career counselors are available to meet with you one on one to discuss your situation.)

Frequently Asked Questions

Q: What do I say if I’m asked for my salary requirements before I have received a formal offer?

A: You’ll generally defer discussing your specific requirements until a formal offer has been made. Early in the interview process, you may reply, “If it’s okay with you, I’d like to defer that question for now and focus first on the content of the work. I’m interested in knowing more about the specific duties and responsibilities of the job.” If the hiring manager insists, you might say something like, “I assume a range has been established for this position and wonder what the organization has in mind?” or “A salary competitive for this position and industry.”

Later in the interviewing process, as a finalist, you may need to provide an actual range (not a single number) for your desired salary. You might say, “Based on [objective salary survey], I believe [\$ range] is the fair market range for this position.” Make sure you have done your homework!

Q: What do I do if all my requests are rejected in the negotiation process?

A: You must decide to accept or reject the position based on the terms of the original offer.

Q: How committed am I to a job offer I have accepted, if a better offer comes along?

A: First, if you are unsure about accepting a job offer, it is better to negotiate for more time to make your decision than to accept the offer prematurely and later rescind your acceptance. Second, it is very important to honor your commitment. Backing out of the agreement is highly unprofessional and reflects negatively on you and Stanford. It may taint your reputation in your chosen field now and in the future. If you signed a contract that included a signing bonus, check the contract for a clause requiring you to pay back the full signing bonus if you leave the organization before the stated duration. The signing bonus amount that you receive will be the total amount, minus taxes, but the amount you must repay will be the full amount of the bonus.

Q: How do I request an offer in writing?

A: If a verbal offer is made, you can say, “I’m very excited about the opportunity to work with you and this organization. Since this is such a significant decision for both of us, I’d be more comfortable if the offer was in writing and I could look it over.”

Q: What if I don’t understand something in the employment offer letter?

A: Organizations are usually happy to clarify or answer any questions about the job offer. Students may also seek legal advice regarding job offers, employment contracts and other professional commitments through the ASSU Legal Counseling Office for Students at (650) 375-2481.

Helpful Resources

The CDC has compiled a handful of salary websites at studentaffairs.stanford.edu/cdc/job/salary.

The CDC Career Resource Library contains helpful information for job offers and negotiation, including:

- *Negotiating Your Salary: How to Make \$1000 a Minute* by Jack Chapman (If you have time for only one book, this is the recommended one.)
- *Next-Day Salary Negotiation: Prepare Tonight to Get Your Best Pay Tomorrow* by Maryanne Wegerbauer
- *Ask For It: How Women Can Use the Power of Negotiation . . .* by Linda Babcock and Sara Laschever

We recognize that juggling job offers and employer deadlines can be daunting for

you. Since each individual’s situation is unique, we encourage PhDs and postdocs who have questions about managing offers or negotiating for time or additional compensation to meet with one of the career counselors at the CDC. For urgent

matters, we offer short 15-minute meetings daily—no appointment necessary. Longer 45-minute appointments may be scheduled in advance through your Cardinal Careers account.

Contact ASSU Legal Counseling at (650) 375-2481 for legal advice regarding job offers, employment contracts and other professional commitments

Sample Job Offer Communications

Dear Ms. Gonzalez,

Thank you for offering me the position of Research Scientist with XYZ, Inc. However, I regret to inform you that I cannot accept your generous offer at this time. After carefully evaluating all opportunities available to me, I have accepted another position that seems a better fit for me at this point in my career.

I truly enjoyed meeting and speaking with you and other representatives from XYZ.

Thank you again for your consideration. Best wishes for the continued success of XYZ, Inc.

Sincerely,

Nick Gupta

Declining a Job Offer

Dear Madeleine,

I hope this email finds you well.

I am writing to inform you that I will unfortunately not be accepting the generous offer of Assistant Director at ABC. I really appreciate the care and hospitality extended to me during this time. Foremost, I am grateful that ABC granted me an extension so that I could fully consider my options.

At this time, I feel that ABC is not the best fit for me. It was an extremely tough decision for me to make, as evident in my request for an extension. I again want to thank you and everyone else at ABC for this great opportunity and for your help and support through this process.

Sincerely,

Mara

Sample Job Offer Communications

Withdrawing Your Candidacy

Dear Mr. Polanco,

I enjoyed meeting with you and your colleagues last week regarding the position of Project Manager. Thank you for your time and consideration during this process.

While I am not sure where the hiring process stands, I wish to inform you that I must withdraw my application from consideration for this position. I have accepted a similar position at another organization.

Thank you again for your consideration and best of luck in completing your search.

Sincerely,

Anna Udell

Accepting an Offer

Dear Ms. Fuqua,

It is with great excitement that I accept the offer for the position of Senior Analyst. I have included the signed offer letter as you requested.

I have been communicating with the relocation company and am currently in the process of moving to Seattle. I expect to be settled in by the end of the month and ready to start in early August.

I will contact you as my start date approaches. Please feel free to contact me if you have any questions. I look forward to my new position at LMN.

Sincerely,

Sarah Gold

Dear Ajit,

Thank you for your employment offer for the position of Program Coordinator. I would like to reconfirm my acceptance of this position. As I mentioned earlier, I look forward to joining ZZZ and am confident in the contributions I will make to your organization. I am truly excited to apply my passion and skills to this position.

Per our phone conversation, I will start work on Monday, August 22. I will be out of town until mid-July but can be reached by cell phone at (650) 123-4567.

Thank you again for this opportunity.

Sincerely,

John

salary negotiation cover letters industry interviews transitions research statements teaching statements humanities networking resumes beyond academia social sciences career exploration CVs academic job search positions resumes sciences moving forward search engineering teaching statements working beyond academia resumes sciences career exploration academic job search transitions resumes sciences on-campus interviews beyond academia exploration humanities strategy cover letters industry interviews transitions resumes beyond academia careers social sciences career exploration transitions job search resumes engineering moving forward humanities interview skills sciences

cdc 
stanford career development center
do great things
cdc.stanford.edu

CRM 
COLLEGE RECRUITMENT MEDIA
630.938.0200 • CRMpubs.com

Stanford Career Development Center: Serving PhDs and postdocs in the School of Humanities and Sciences, School of Engineering, School of Earth Sciences, and School of Education

search industry forward exploration positions academia

cover moving career tenure beyond job se

positions resumes sciences moving forward on-campus interviews academia career