

Evaluating and Negotiating a Job Offer

Once you receive a job offer, you are faced with a difficult decision and must evaluate the offer carefully. Fortunately, most organizations will not expect you to accept or reject an offer immediately.

There are many issues to consider when assessing a job offer. Will the organization be a good place to work? Will the job be interesting? Are there opportunities for advancement? Is the salary fair? Does the employer offer good benefits? If you have not already figured out exactly what you want, the following discussion may help you to develop a set of criteria for judging job offers, whether you are starting a career, reentering the labor force after a long absence, or planning a career change.

The organization. Background information on an organization can help you to decide whether it is a good place for you to work. Factors to consider include the organization's business or activity, financial condition, age, size, and location.

Background information on the organization may be available at your public or school library. If you cannot get an annual report, check the library for reference directories that may provide basic facts about the company, such as earnings, products and services, and number of employees. Some directories widely available in libraries and/or on-line include:

Dun & Bradstreet's Million Dollar Directory
Standard and Poor's Register of Corporations
Moody's Industrial Manual
Thomas' Register of American Manufacturers
Ward's Business Directory
Hoover's Online Business Information Directory

Long-term projections of employment and output for detailed industries, covering the entire U.S. economy, are developed by the Bureau of Labor Statistics and revised every 2 years—see the February 2004 Monthly Labor Review for the most recent projections, covering the 2002-12 period, on the Internet at:

<http://www.bls.gov/opub/mlr/mlrhome.htm>.

Does the organization's business or activity match your own interests and beliefs?

It is easier to apply yourself to the work if you are enthusiastic about what the organization does.

How will the size of the organization affect you?

Large firms generally offer a greater variety of training programs and career paths, more managerial levels for advancement, and better employee benefits than small firms. Large employers may also have more advanced technologies. However, jobs in large firms may tend to be highly specialized.

Jobs in small firms may offer broader authority and responsibility, a closer working relationship with top management, and a chance to clearly see your contribution to the success of the organization.

Should you work for a relatively new organization or one that is well established?

New businesses have a high failure rate, but for many people, the excitement of helping create a company and the potential for sharing in its success more than offset the risk of job loss. However, it may be just as exciting and rewarding to work for a young firm that already has a foothold on success.

Does it make a difference if the company is private or public?

An individual or a family may control a privately owned company and key jobs may be reserved for relatives and friends. A board of directors responsible to the stockholders controls a publicly owned company and key jobs are usually open to anyone.

Is the organization in an industry with favorable long-term prospects?

The most successful firms tend to be in industries that are growing rapidly.

Nature of the job. Even if everything else about the job is attractive, you will be unhappy if you dislike the day-to-day work. Determining in advance whether you will like the work may be difficult. However, the more you find out about the job before accepting or rejecting the offer, the more likely you are to make the right choice. Actually working in the industry and, if possible, for the company would provide considerable insight. You can gain work experience through part-time, temporary, or summer jobs, or through internship or work-study programs while in school, all of which can lead to permanent job offers.

Where is the job located?

If the job is in another section of the country, you need to consider the cost of living, the availability of housing and transportation, and the quality of educational and recreational facilities in that section of the country. Even if the job location is in your area, you should consider the time and expense of commuting.

Does the work match your interests and make good use of your skills?

The duties and responsibilities of the job should be explained in enough detail to answer this question.

How important is the job in this company?

An explanation of where you fit in the organization and how you are supposed to contribute to its overall objectives should give you an idea of the job's importance.

Are you comfortable with the hours?

Most jobs involve regular hours—for example, 40 hours a week, during the day, Monday through Friday. Other jobs require night, weekend, or holiday work. In addition, some jobs routinely require overtime to meet deadlines or sales or production goals, or to better serve customers. Consider the effect the work hours will have on your personal life.

How long do most people who enter this job stay with the company?

High turnover can mean dissatisfaction with the nature of the work or something else about the job.

Opportunities offered by employers. A good job offers you opportunities to learn new skills, increase your earnings, and rise to positions of greater authority, responsibility, and prestige. A lack of opportunities can dampen interest in the work and result in frustration and boredom.

Salaries and benefits. Wait for the employer to introduce these subjects. Some companies will not talk about pay until they have decided to hire you. In order to know if their offer is reasonable, you need a rough estimate of what the job should pay. You may have to go to several sources for this information

If you are considering the salary and benefits for a job in another geographic area, make allowances for differences in the cost of living, which may be significantly higher in a large metropolitan area than in a smaller city, town, or rural area.

Salary Calculator—to compare the cost of living from one state to another.

<http://www.homefair.com/homefair/calc/salcalc.html>

Benefits can also add a lot to your base pay, but they vary widely. Find out exactly what the benefit package includes and how much of the costs you must bear.

Find out the market value of your position by geographic location:

<http://www.collegegrad.com/salaries/salaries.shtml>

2. Use this checklist of important information to help you determine what is helpful/essential for you and what you need more clarification on before you accept a job:

Salary

Responsibilities, tasks, scope of the work

Health benefits

Assistance with relocation

Vacation and sick policies

Retirement packages

Opportunities and resources for training, professional development and advancement

Profit sharing opportunities

Parking/transportation costs

Geographic information; cost of living

Signing bonus

3. Evaluate the offer based on the factors listed above, the cost of living and your living expenses.

Negotiating an Offer

The point to negotiate an offer can include factors such as time to think about the offer, start date, travel, sign-on bonus and salary.

TIPS:

Negotiate from a position of strength, which is most often knowledge

Determine the factors you want to change

Be willing to listen to the employer's perspective

Be prepared to support your position with examples

Be prepared to accept or reject an offer based on the outcome of your negotiation.

Congratulations! If you are at the point where you are making your final decisions and are negotiating offers, you've made it through your job search! Remember, SI Career Services is ready to help you in all the steps of your job and internship search.

Adapted from the JobTrak website.

