

*There are no secrets to success. It is the result of preparation, hard work, and learning from failure.
(General Colin Powell)*

5. REVIEWING JOB OFFERS

OBJECTIVES

The lessons in this chapter prepare you to:

- Evaluate job offers
- Effectively communicate a decision to an employer

5.1 EVALUATE JOB OFFERS

What to Know

You have had several interviews and have scheduled one or two more. The phone rings and it is the Human Resource Manager at the first company where you interviewed. It is a job offer! You think to yourself, finally! But, just when you begin to say “When can I start?” the words stick in your throat. Suddenly, you are not sure you are making the right decision. Do you accept the offer? Is this job your first choice? Is something else likely to come along? How can you make a decision?

There are several ways to evaluate job offers. Perhaps the simplest is to list all the pros and cons and see which list is longer.

As you evaluate the offer, keep in mind the things that are important to you about your lifestyle. Refer back to section 1 where you determined your Work Preferences and Work-Related Values. This may help you make a decision. Compare how well the job matches your preferences and values. A sample of how to conduct this comparison follows.

Remember that your family is affected by job decisions, so include them in the decision-making process.

What to Do

When considering a job offer, consider the major factors, such as:

- work environment;
- location and commute;
- potential/growth/job security;
- salary and benefits package; and
- type of work: full-time/part-time, temporary/permanent/contractor.

Talk to your family and close friends about the options you are considering. You will often get a new perspective on your decision by discussing it with someone else.

JOB EVALUATION FACTORS

The Industry

- Interest in the industry (Is this a field where I would like to build a career?)
- Potential for long-term growth (Is this an industry that is growing?)

The Position

- Work duties (Do the duties of the job interest me and use my skills?)
- Potential for advancement (What opportunities are available?)
- Position level (Where is the job in the organization? To whom do I report?)
- Wages/benefits (Do they meet my needs?) See following page.
- Hours (Do I consider them reasonable?)
- Working conditions (What are the company's expectations and work style?)
- Quality of job (How long has the position been open and why is it open?)
- Travel requirements (How much would I have to travel?)

The Company

- Growth potential (How has the company performed over the last several years?)
- Planned expansion (What plans exist and how do they fit with the economy?)
- Success (What are the company's debt/profit ratio and other indicators of success?)
- Reputation (What is the company's reputation in the industry and with its employees?)
- Management team (What is the tenure, growth, and origin of the management team?)

Your Supervisors

- Skills (What are the supervisors' training and previous work experience?)
- Organizational position (Who do the supervisors report to and how long have they been in their jobs?)
- Interaction/expectation (How well do I think I can work with the supervisor?)

Environmental Concerns

- Geographic location (Is the job someplace I would like to live?)
- Area factors (Am I comfortable with the traffic, growth, cost of living, crime rate, etc.?)
- Housing (Is affordable housing available and to my liking?)
- Recreation (Are recreation opportunities available and within reason?)
- Schools (Are good schools available for my children, spouse, and self?)

POSSIBLE BENEFITS COMPANIES MIGHT NEGOTIATE

Paid Vacations

- 10 to 14 days after a year of employment
- 15 days or more after a year of employment
- 15 days or more after five years of employment

Health Insurance

- Full/partial employer contribution
- Dependent coverage fully paid by employer
- Coverage includes:
 - Vision care
 - Dental care
 - Counseling/Mental health care

Paid Sick Leave

- Provided
- Carry-over of unused days permitted

Paid Life Insurance

- At least two times annual salary (for coverage based on earnings)
- At least \$15,000 (for coverage based on flat dollar amount)

Savings and Profit Sharing

- Savings/thrift plans
- Cash profit sharing
- Deferred profit sharing
- Cash and deferred profit sharing

Pension Plan (Defined Benefit) Provided

- 401K, 403B or other tax-deferred retirement savings plans
- Association, professional or union plans
- Mutual fund retirement plans

Other Benefits

- Full or partial relocation allowance
- Full or partial reimbursement for education expenses
- Financial or legal counseling
- Child care
- Long-term incentive plans (stock options)
- Paid phone bill, calling card
- Computer
- Expense account
- Credit card
- Flex time
- Telecommuting
- Flexible spending accounts
- Cellular phone
- Cars provided for executives, sales people or managers who must travel
- Bonuses

HOURLY WAGE CHART

Dollars Per Hour	40 Hours Per Week	Monthly Income	Annual Income
\$6.00	\$240	\$1,040	\$12,480
\$7.00	\$280	\$1,213	\$14,560
\$8.00	\$320	\$1,386	\$16,640
\$9.00	\$360	\$1,560	\$18,720
\$10.00	\$400	\$1,733	\$20,800
\$11.00	\$440	\$1,906	\$22,880
\$12.00	\$480	\$2,080	\$24,960
\$13.00	\$520	\$2,253	\$27,040
\$14.00	\$560	\$2,426	\$29,120
\$15.00	\$600	\$2,600	\$31,200
\$16.00	\$640	\$2,773	\$33,280
\$17.00	\$680	\$2,947	\$35,360
\$18.00	\$720	\$3,120	\$37,440
\$19.00	\$760	\$3,293	\$39,520
\$20.00	\$800	\$3,467	\$41,600
\$21.00	\$840	\$3,640	\$43,680
\$22.00	\$880	\$3,813	\$45,760
\$23.00	\$920	\$3,987	\$47,840
\$24.00	\$960	\$4,160	\$49,920
\$25.00	\$1,000	\$4,333	\$52,000
\$26.00	\$1,040	\$4,507	\$54,080
\$27.00	\$1,080	\$4,690	\$56,160
\$28.00	\$1,120	\$4,853	\$58,240
\$29.00	\$1,160	\$5,027	\$60,320
\$30.00	\$1,200	\$5,200	\$62,400
\$31.00	\$1,240	\$5,373	\$64,480
\$32.00	\$1,280	\$5,546	\$66,560

1. Annual income is based on 2,080 hours worked.
2. Monthly income has been calculated by dividing the annual income by 12.

5.2 NEGOTIATE JOB OFFERS

What to Know

Sometimes you receive an offer you like in some ways but there are some things about it you do not like. Rather than turning down the offer, you may want to consider negotiating the terms of the offer with the employer. However, for the most part, employers will only enter into serious negotiations for upper level management and executive positions. Understand not all jobs will have flexibility in their salaries and that not all positions are negotiable depending on the type of job and organization.

Depending on the situation, money may be a negotiable issue. For example, say you are offered a position starting at \$12 per hour and you were hoping for \$15 per hour. You may be able to negotiate the salary and reach a compromise of \$13.50.

Remember, if the position is at a level to negotiate, almost anything can be the subject for negotiations. There may be several items open for negotiation. Before you decide to negotiate, however, you have to make some decisions.

- 1. Be sure that the issue is so serious you would not take the job unless it were changed.** Remember, when you ask to negotiate, the employer may withdraw the offer. The employer may have other candidates who would be willing to take the job as offered. In some cases the employer may not be able to change the offer due to contract or budget limitations.
- 2. If money is the issue, be sure you know the salary range you will accept.** Having a range is better than an exact figure because it allows for compromise. For example, it may be easier for an employer to provide more in benefits than in salary by providing perks, like free parking or tuition assistance.
- 3. Keep your military benefits in mind.** When you calculate the value of the many benefits, use it as a negotiation tool for your entry into the private sector. Online calculators are available and links are available on the transition website.

What to Do

Following are some general suggestions and guidelines on negotiating. Keep in mind the idea is to let the employer know you are very interested, but there are some things that make you uncomfortable. *Remember, always keep a positive attitude.*

- 1. Salary can be an issue to negotiate.** Salary does not include benefits which are a large percentage of your annual earnings. Benefits may include health and/or life insurance, parking, flexible work hours, training/education opportunities, use of a company car, relocation assistance, administrative leave, sick leave, vacation, participation in professional associations, and so forth. Look at the total compensation package.

2. **Do your homework and find out the salary range for the job.** Also, find out what working conditions are like throughout the industry. Be sure you get the information for the state or region in which the job is located.
3. **Do not ignore job progression as a salary issue.** You can sometimes make a compromise by accepting the job at the salary offered and asking for a review sooner than company policy normally allows. Focus on what the job pays after two year's experience.

Negotiating in Person

An in-person discussion offers the advantage of allowing you to deal with the employer's objection on the spot. If the job you are applying for is one where an offer may be made at the end of the interview, you should be prepared to negotiate at that point. The following guidelines will be helpful in an in-person negotiation:

1. Be positive and polite. Thank the interviewer for the offer and express your interest in the position.
2. Mention the issues of concern and suggest compromises. If money is an issue, remember to suggest a range rather than a definite amount.
3. If you cannot reach agreement and you are uncertain about accepting the bottom-line offer, ask if you can think about it overnight and call the next day with your decision.

Negotiating in Writing

It is always preferable to negotiate in person, however, in some situations you may have no choice but to negotiate in writing. It can give you the opportunity to word your remarks carefully (without getting flustered). It gives the employer a chance to evaluate your ideas, talk them over with others, and to make a counter offer. It avoids instant refusal. If you decide to do this, ask for the employer's preference for delivery—via e-mail with attachment, in the text of an e-mail, USPS overnight, hand delivery, etc.

Remember to keep the letter positive and factual. Use the following rules to work your negotiation letter:

1. Express your appreciation for the offer.
2. Mention that you are interested but would like to suggest some changes before accepting the offer.
3. List the issues of concern and suggest specific changes.
4. Suggest you are confident a mutually satisfactory arrangement can be reached.
5. Request a personal meeting to discuss issues, and suggest a date.
6. Do this within 24 hours of the offer.

See the examples on the following pages.

From: TGaines@email.com
To: Wallace@ABC.com
cc:
Subject: Employment with ABC Corporation

Dear Mr. Wallace:

Thank you for offering me the position as Supervisor of the Equipment Division. I am pleased at the opportunity to work for your firm. I will be happy to accept your offer if we can agree on the following modification.

As we discussed, based on my qualifications, work experience and market value, I am looking for a starting salary in the \$44,000-47,000 range. Please consider raising the salary offer to \$46,500 from your initial offer of \$42,000 after six months of successful performance in the position.

I am confident that we can reach a mutually satisfactory resolution. I will call on Tuesday morning and schedule an appointment to review the issue as well as the criteria for successful performance.

Again, thank you for the offer. I look forward to our meeting next week and to starting work.

Sincerely,

Thomas

Thomas Gaines
123 Hampton Way
Archway, TX 12345

phone: (123) 456-7899
fax: (123) 456-7890

Sample Negotiation Letter

Robert Downing
600 Middletown Pike
Baltimore, MD 12345
RobertDowning@email.com

February 1, 20XX

Ms. Billings
Human Resource Manager
ABC Company
Baltimore, MD 21201

Dear Ms. Billings:

Thank you for offering me the position as Manager of the Accounting Department. I am most interested in working for your company and look forward to making a contribution to ABC. I will be happy to accept your offer if we can agree on the following modification.

As we discussed, based on my qualifications, work experience and market value, I am looking for a starting salary in the \$58,000–61,000 range. Can we explore the possibility of raising the salary offer to \$59,000 from your initial offer of \$56,800 after six months of successful performance in the position?

I am confident that we can reach a mutually satisfactory resolution. I will call Friday morning and schedule an appointment to discuss the issue, and the criteria for successful performance.

Again, thank you for the offer. I look forward to our next meeting and to starting work.

Sincerely,

Robert Downing

5.3 COMMUNICATE YOUR DECISION TO THE EMPLOYER

What to Know

There are several possible outcomes for your analysis of job offers. You can:

- accept the offer (as is or negotiated);
- reject the offer; or
- request extension of the decision.

Whatever your decision, communicate your decision immediately either verbally or in writing. If the offer was made verbally, a verbal response is sufficient. If the offer was made in writing, a written response is required. Usually the written offer from the employer will include a second copy for you to sign and send back. It is a good idea to request a written job offer, particularly if you are relocating for the job or if there is a time delay before actually starting work. If you are requesting to delay the decision, the request should be made verbally and then follow it up with a letter.

What to Do

Following are guidelines and samples of various types of letters that correspond with your decision about offers. Use the guidelines and examples to draft your own letters.

Note that all letters should conform to standard rules of letter writing. Pay particular attention to the tone of the letter and carefully proofread it before mailing.

Thirty-seven percent of the people who ask for something get it. One hundred percent of the people who don't ask, don't get what they want. (Richard Gaither; author, job search consultant)

Sample Acceptance Letter

Franklin Sternz
600 Middletown Pike
Baltimore, MD 12345

February 1, 20XX

Ms. Peterson, Human Resource Manager
ABC Company
5555 ABC Drive
Baltimore, MD 21201

Dear Ms. Peterson:

Thank you for your offer for the position as accounting clerk. I accept the position with pleasure and look forward to making my contribution to ABC.

It is my understanding that the conditions of my employment are as follows:

- My initial salary will be \$24,500 per year, paid in equal increments every 2 weeks.
- Benefits include accident, health, and life insurance, effective upon starting work.
- My probationary period lasts 6 months, with an initial performance and salary review after that time.
- Salary reviews are scheduled for every 6 months after completing probation.
- Written performance reviews occur each year on the anniversary of my initial employment.
- The work day is 8 hours, workable between 7:00 a.m. and 7:00 p.m.
- Vacation and sick leave accrue at a rate of one day per month and are cumulative.

As we agreed, my starting date will be February 15, 20XX. I enjoyed meeting you and look forward to working at ABC. If there are materials I should read or complete prior to the 15th, please send them to me. I can be reached at (777) 777-0000 any evening for additional information.

Sincerely,

Franklin Sternz

James Wilmore
158 N. Lincoln
San Diego, CA 12345

October 15, 20XX

Mr. Robert South, President
ABC Industries
3000 Long Beach Boulevard
Los Angeles, CA 12345

Dear Mr. South:

Thank you for the confidence demonstrated in me as reflected in your offer as the Vice-President of Finance.

It is my understanding that the position reports directly to you and is responsible for legal, human resources, data processing, administrative services and long-range planning.

The employment package includes:

- Annual base salary of \$105,000.00
- A bonus with a minimum range of 20% and a maximum of 50% of compensation
- Stock options (based on performance)
- Club membership at Golf International
- Company-funded pension plan
- All relocation costs including purchase and sales costs of housing and mortgage assistance
- A review at six months

I look forward to starting with you January 1, 20XX.

Sincerely,

James Wilmore

Sample Refusal Letter

Jonathan Doe
600 Middletown Pike
Baltimore, MD 12345

February 1, 20XX

Ms. Chambers, Human Resource Manager
ABC Company
5555 ABC Drive
Baltimore, MD 12345

Dear Ms. Chambers:

Thank you for your offer of the position, accounting clerk. Unfortunately, I must decline.

After serious consideration, I have concluded that the negotiated salary of \$21,500 per year does not adequately compensate me for my skills and qualifications. Therefore, I will continue looking for work which falls into my expected salary range.

Thank you for your time and consideration. I wish you success in finding a suitable employee.

Sincerely,

Jonathan Doe

Peter North
600 Middletown Pike
Baltimore, MD 12345

February 1, 20XX

Ms. Katz, Human Resource Manager
ABC Company
5555 ABC Drive
Baltimore, MD 12345

Dear Ms. Katz:

Thank you for your offer of the accounting clerk position. I am very interested in the position. As I mentioned on the phone, I will need an additional five days to make my decision.

I will call to inform you of my decision by February 6. Thank you very much for your consideration.

Sincerely,

Peter North