Salary Expectations

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You've worked hard to perfect your resume and land that all-important big interview. This means, though, that the battle is only just beginning.

Answering the salary expectations question the wrong way can cost you a job offer. It can also put you in an untenable situation by forcing you to consider a job at a less-than-desirable salary.

After all, in some circumstances, the only thing worse than failing to get a job offer after an interview is failing to get an offer that's sufficient to support you and/or your family.

How to Answer the Salary Question

Why it's Important… and Tricky

You may be wondering what the big deal about the money question is; yet it's one question that often stumps job candidates. Not only that, but it can change the climate of an interview from red hot to ice cold as a result of a few digits of difference in thinking.

Why do companies ask job candidates the salary question? Ultimately, company leaders and HR professionals **want to know if they can afford you** *before* **they invest time and resources courting you** to come to work for them.

Some employers are **bargain hunting.** Despite a general market value for certain positions, some companies place a bigger premium on certain positions than other companies. This means that the salary they expect to pay for a certain position may be lower or higher than the going rate.

Another possible reason is that they're trying to see **how you value your work**. Are you confident enough to ask for what you deserve or will you meekly accept whatever they offer?

► *Your mission: **S**ell them on you, and convince them of your worth to their organization *before you reach the point of salary negotiations.*

When/How the Salary Question is Asked

Usually, "the salary question" is one or both of the following:

1) What are you looking to make?

2) What are you making now?

Each of these comes with different challenges. The question(s) can come up early on as part of the screening process or can pop up later after you've answered a few of the behavioral, skill, or background questions.

In some respects, it's a good thing when the salary topic comes into the interview conversation. It indicates that there is some interest in having you come to work for the company.

The other side of the coin, though, is that when you're not prepared, it's easy to make a misstep on this question that could prove costly.

► **Your mission: Expect the salary interview question and have plans in place to address it before going into the interview.**

Answering *"What are Your Salary Requirements?"*

It seems like an innocent enough question. It makes sense that potential employers would want to know a ballpark figure for your expectations, right? Not so fast. Be aware that candidly stating your salary expectations too early in the interview process can lead to problems.

Problem 1. Early on, the company in question isn't sold on you just yet. They're still feeling you out and doing comparison shopping between you and the other candidates. You'll have better leverage to negotiate later, so it serves you best to avoid naming a specific number too early.

Problem 2. You may be tempted to sell yourself short to move forward in the process. While some businesses will jump at the lowest offer, there are plenty of others out there that understand the marketplace and will shy away from candidates that seem too eager

to lower their standards to get the job. It may make them worry that you'll lower your standards elsewhere as well.

Furthermore, do you really want a company that makes you feel as though they're only after the cheapest possible deal? Or do you want to work for a company that's after the most qualified candidate for the job?

Problem 3. A high number can price you out of contention before you've even had a chance to make a good impression. Low or high, if you name a price that's outside of their expectations, it can remove you from the running for the position.

Problem 4. Going too low can also put you in a position where you can't afford to take the job, yet can't afford to turn the job down. This is especially true for job candidates who offer low-end figures out of desperation and in hopes of getting the job. This rarely leads to a happy work situation.

► Your mission: Before you consider answering the question, it's important to know the going rate for jobs in your field and in your job market (location). These can be found at websites like:

Payscale.com

Glassdoor.com

Salary.com

Do some research on these sites to understand the market salary range for the position, size of the company you're interviewing with, location, and your experience level. You will probably find some conflicting information and wide ranges in some places, but at least you'll get a general sense if you look at a few sources.

Your goal is to arrive at a reasonable salary range that seems fair based on market value and your current or most recent salary. This way, if pressed, you can name a number that's based on real data and position it as the market range and not just what you want.

You will also want to think a bit about best-case scenarios *(what salary offer would make you say yes on the spot)* and worst-case scenarios *(what salary offer would you walk away from)*

Tactics to Delay Answering

Experts recommend to put off answering the salary question as long as possible. Here are a few suggestions to strategically delay answering the salary questions with a specific number.

When asked: "What are your salary expectations for the job?"

This is a great opportunity to sell yourself while putting the pressure on the organization to make a fair offer by saying something along the lines of:

"I'm more interested in finding a position that's a good fit for my skills and interests. I'm confident that you're offering a salary that's competitive in the current market."

You're letting them know that you're confident of your abilities and respect yourself too much to sell yourself short.

At the same time, you're giving them an opportunity to earn your respect by making a fair offer. By doing this, you're tactfully letting them know you're not desperate and expect to be compensated appropriately for your time and talent.

By playing hardball on the salary issue and not giving in and answering right away, you're also letting the hiring company know that they're getting a savvy and tough negotiator if they hire you. This may be the perfect incentive for a better salary offer.

Naturally, some interviewers will press further for a specific number. At this point, you can say something like:

"Well, according to my research and past experience, my understanding is that 75-90K per year is typical based on the role and requirements."

This frames the number as *"here's my understanding of what's competitive"* as opposed to *"here's what I want."*

If you've done your research *(see above)*, you'll be able to quote a reasonable range and then they can respond.

When asked: "What are You Making Now?"

For the most part, interviewers ask this question believing that offering a salary 10 to 15 percent higher than your current salary will be sufficient to lure you away from your current position.

There are a number of reasons why this question may not be so straightforward for many candidates. Most typically, many candidates are either underpaid or overpaid in their current roles. They fear an overly high or low number could lead to an unattractive offer or knock them out of contention. Others may be making a career change or moving from commission-based to salary work or otherwise in a situation in which the comparison isn't valid.

If you're making *"too much,"* the interviewer may feel they can't afford you or you are overqualified. This can be a problem if you are okay with taking a lower salary -- perhaps because you know you are/were overpaid, you are making a career change, or you are prioritizing work-life-balance or other aspects of the job.

It's far more common for someone to be underpaid and worried about the perception that there's something "wrong" with them for that reason.

If you're not making the market rate, or close to it, potential employers may begin scratching their heads and asking why. The problem is that many people choose jobs with lower salaries for reasons that have nothing to do with work ethic or job performance including the following:

• *Bonus/commission incentives*

• *Flexible working options or reduced hours*

• *Better benefits -- health, retirement, tuition reimbursement, etc.*

• *Fewer work hours*

• *Location (cost of living, local job market, etc.)*

• *Opportunity to take on new responsibilities and gain experience even if your salary didn't increase accordingly*

You don't want to let the decision to work for a less than stellar salary in the past derail your opportunity for a competitive salary in the future.

In any of these cases, deflection, on this particular question, can be your best bet. Eventually, you will have to address this question. However, you will be in a much better position if you can deflect until they already love you and you have more leverage to negotiate.

When pressed to give your current salary when you know it would sabotage your chances, consider the following tactic to delay the question a little longer, if not put it off altogether:

"Since this position is not exactly the same as my current job, let's discuss what my responsibilities at this company will be and work together to determine a fair salary for this position."

If you feel you must reveal your lower salary earlier than you would like, don't forget to mention the contributing factors too. Employers will understand that a job in Iowa paid less than a job in New York City, for example.

4 Tips on Negotiating for What You're Worth

Congratulations, we want to hire you! Great news until you see the low-ball offer. But remember that the offer is simply that. An offer. A starting point. Sometimes, it's even a test.

The way you respond to the offer can change everything.

1) When negotiating a job offer, keep things positive – even if the offer is one you're having a great deal of difficulty drumming up enthusiasm about. Show gratitude for the offer and enthusiasm about the potential of the position before you dive into negotiating mode.

2) Make your counteroffer one that is fair, well-reasoned, and thoughtfully presented. CBS Money recommends providing a salary range as part of your counteroffer – indicating that companies will often avoid offering the lowest range in an effort to avoid seeming impolite. Though if you do provide a range, make sure the bottom number is one you can live (and work) with. Providing a salary range also gives the employer the impression that you're flexible – a trait they often prefer in employees.

3) The third tip, and perhaps the most important when it comes to your long-term career goals, is this: be willing to walk away if the offer isn't right for you. It's hard to do, especially in a competitive job market. If you're not desperate to put food on the table or a roof over your head, though, it may be better in the long run to wait for the right offer, rather than simply taking the opportunity that's available right now.

4) Finally, keep in mind that some companies may have a limit on salaries they can offer, but that doesn't mean they can't offer compensation in other ways. If you get pushback on a higher salary, try negotiating for other benefits that could sweeten the offer for you:

• *Performance bonuses*

• *Signing bonuses*

• *Future pay raises*

• *Additional vacation days*

• *Company stock*

• *Retirement contributions*

• *Health benefits*

• *Flexible work hours*

Some people even negotiate for gym memberships. Only you can determine your priorities. If you're reasonable with your requests, don't be afraid to open up the discussion.

The bottom line: You don't have to live in fear of interview questions about money or even a salary offer that's on the low side of what you want or need. Following these tips will help you navigate the tricky waters of salary negotiations while keeping your head above water.