



KINEXUS

# Negotiating and setting your salary Guide

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A step-by-step guide to help navigate the delicate process of salary negotiation

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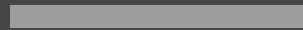
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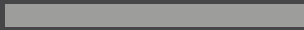
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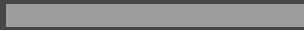
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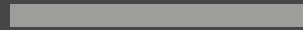
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# Introduction



## **Your resume is a snapshot of your career and achievements.**

Finding a new job can be a long and strenuous process, from writing applications to signing on the dotted line. It is easy to grow impatient with the process and skip steps to get settled as soon as possible.

However, always remember that getting a new job is a long-term investment. The better you handle these initial stages, the better your chances of being successful and satisfied in your new role.

A large part of work satisfaction comes from knowing you are remunerated fairly for the work you do. So, how do you figure out what you deserve and how do you go about negotiating for it?

To help navigate the delicate process of salary negotiation, Kinexus has put together this guide to de-risk and de-mystify.

### **Put your best foot forward by following these critical steps:**

- Know the benefits of negotiation.
- Avoid common mistakes.
- Tips for negotiation success.
- Follow the negotiation process:
  - Preparation and planning.
  - Establish your position.
  - Bargaining and problem solving.
  - Closure and implementation.

Always remember that getting a new job is a long-term investment.

# The benefits of negotiation

Negotiating a salary with a prospective employer can sometimes be scary, awkward and daunting. However, if done right getting stuck with their first offer is the worst outcome.

**On the other hand, there is a myriad of benefits to negotiating your salary, some of which include:**

- You are more likely to get what you want.
- You are more likely to get what you are worth. Organisations rarely present their best offer up front, assuming potential employees will drive them up during negotiation stages.
- In general, those that negotiate during interview stages earn more over their career than those that don't.
- By constructively negotiating, you can demonstrate skills an employer may be seeking in their new hire.

Getting stuck with their first offer is the worst outcome.

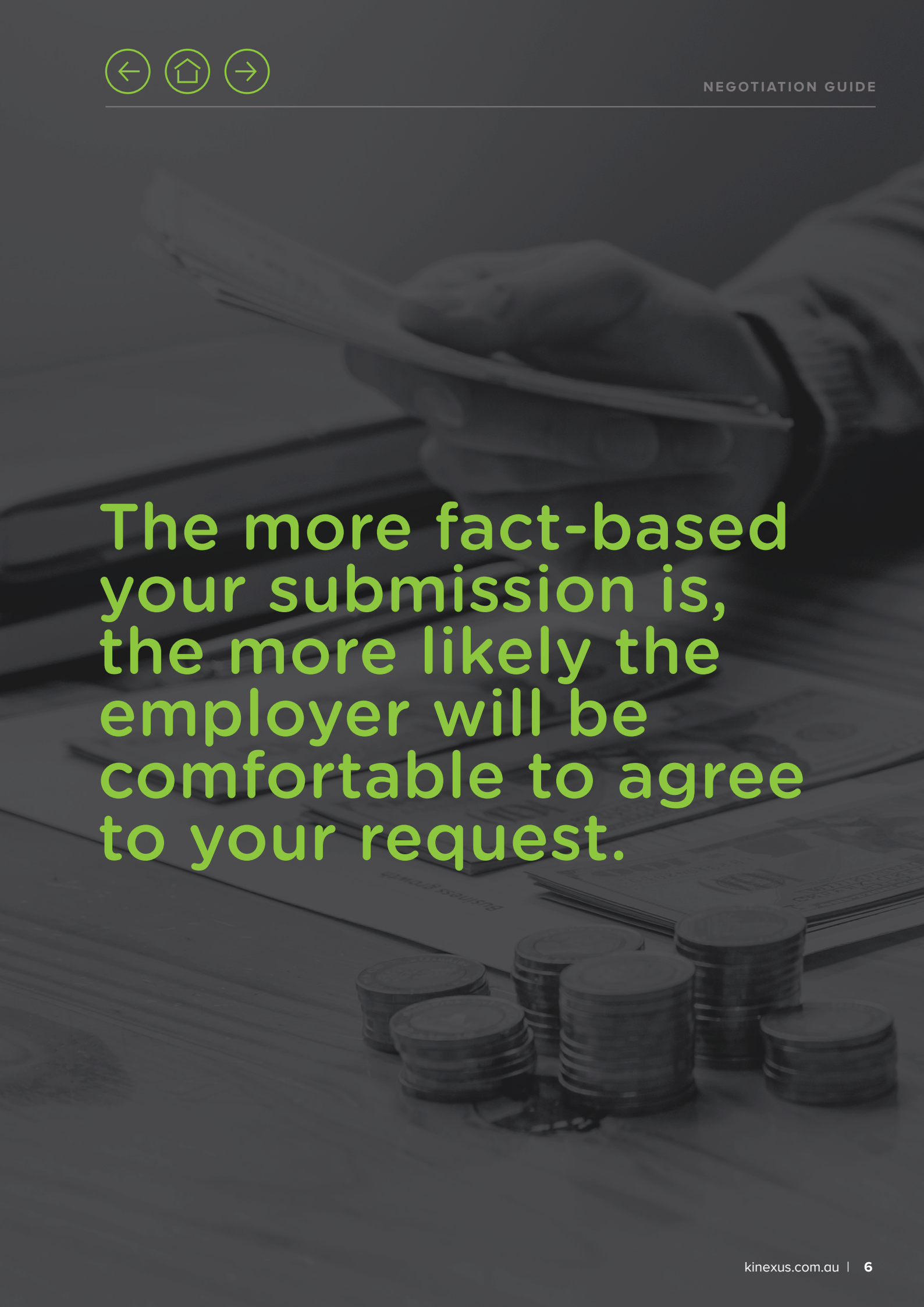
# Avoid common mistakes

Clumsy salary negotiations can have a multitude of undesirable outcomes. You could end up burning bridges or even missing out on a role altogether.

**Here are some common mistakes to look out for when navigating the negotiation landscape:**

- **Pricing yourself out of the running:** If you aim too high you can be excluded from the shortlist for being too expensive. If you don't have much experience, money should not be your only motivator. You might need to lower your salary expectations to get your foot in the door or onto a project of interest.
- **Setting yourself up for resentment:** If you propose a salary that you think will please the employer or is not based on market research you may price yourself too low. This could lead to feelings of resentment.
- **Burning bridges:** It's important not to exhibit any disrespectful or alienating behaviour. You certainly need to bring a level of confidence into every negotiation process, but it is important to remain professional.





The more fact-based  
your submission is,  
the more likely the  
employer will be  
comfortable to agree  
to your request.

# Key tips for success

The process for negotiating your salary in a new role starts from the first time you engage with your prospective employer.

To keep yourself on track throughout the process, keep in mind to:

1

## **Maintain a positive attitude**

Don't look at the negotiation as a win/lose situation or as a power play from which one party will come out on top. In an ideal situation, you and the employer will both win. They will get a great employee that is right for the role, and you will have an exciting new job with a salary that represents your needs and value.

2

## **Frame the relationship between you and the employer**

Don't be a people pleaser throughout the process. Make it clear you are assessing them as much as they are evaluating you. If you want the job, tell them, but be clear you are dedicated to making sure it is the right fit for you long-term.

3

## **Portray confidence**

Although negotiation can be a nerve-wracking process, try to portray confidence even if you do not feel it. Speaking in a decisive tone and clearly expressing yourself will prevent any misunderstandings and allow you to present your case in the best way possible.



# The negotiation process

## 1. Preparation and planning

Before you can negotiate anything in real terms, you need to prepare yourself for the process and make sure you are ready for the conversation. You never know when the topic will come up, so make sure you prepare and plan before you step into an interview or even have a phone conversation.

### Set Your Goal Salary Range

One of the most crucial aspects of preparation is defining what you are negotiating for: your goal salary range.

Avoid shooting yourself in the foot by quoting a range you have pulled from thin air. Once you have made a statement and cited your desired salary it is nearly impossible to backtrack and negotiate something different. An objective reason behind your proposed amount and why it is appropriate for the role will be vital for a successful negotiation. Avoid setting your range too high or low by doing as much research as possible while also incorporating personal factors.

### First, Figure Out What You Need

Be honest with yourself about your current financial situation in regards to incomings and outgoings. Speak to your family, accountant or advisor to understand what salary you need week to week. This figure can act as a baseline to build upon while you research.

### Second, Do Some Research

Make sure you explore a range of avenues when searching for information. Some key sources include:

Online resources which provide general information such as:

- Glassdoor.com
- Payscale.com
- Seek.com.au
- Standard Google search
- A specialised recruitment consultant, particularly one who understands your skill set and industry well. Good recruiters are happy to give advice and share knowledge of the markets they serve.
- Your network. Contacting trusted individuals in your industry could provide you with insight into sectors, companies, projects or roles you would not find elsewhere.





**Target your search by focusing on these key aspects:**

**Industry Standards**

It's a fact that job markets change over time. Even if you think you know how much the industry is offering for your role, make sure your information is as up to date as possible.

**Try to find out:**

- How your industry is tracking against the national annual wage growth.
- Changes in laws and regulations that might impact your industry.
- The state of the labour market, including the standard of living.
- The state of the economy, including whether the national and global economy is depressed or thriving.
- What technological changes have occurred recently and their impact on industry workforce.

**Organisational Trends**

Each organisation within each industry is going to position themselves differently and as such is going to have different salary standards. Refine the information gathered about your industry by finding out:

- How the organisation's average wage compares to the industry standards.
- The historical salary trends for the business, including how they compare with national annual wage growth.
- What their business strategy is. If they are looking to expand quickly, higher than average salaries are more likely. However, if they are sustaining growth or maintaining their position, average or lower will be on offer.

- The standard bonus offerings and any benefits you might be able to receive. Some organisations will openly publish this as a way of drawing talent to their company. If it is not publicly available, you may need to use other methods such as tapping into your network.

**The Role Itself**

Looking at similar jobs and their salaries will provide a rough guide of what you can expect. However, always keep in mind that not every position with the same title is going to be the same. Many factors play into how much an individual is paid to complete a job and will either raise or lower the expected salary.

Some factors that will cause variation include:

- Supply and demand of both the role and those who can fill it.
- Size of the business and business unit.
- Level of responsibility, including the level of autonomous responsibility and the number of duties.
- Mental and physical requirements of the job, including the number of specialised skills, relative difficulty, hours required and risks involved.
- Location of the role, including standards of living, remoteness and how large the candidate pool is within that locality.
- Qualifications needed.

Combining all factors, you should now have a goal salary range to negotiate for.

## Define What You Bring to the Role

Be clear on what YOU would bring to the role and plan how to define this for a potential employer. Experience, qualifications and connections all play into an employer's view of your worth and will impact your realistic salary aim. Be ready to clearly and objectively explain this when justifying your desired salary. If possible, provide examples of achievements and contributions you have made during previous employment.



### Sit down and focus on asking yourself these questions:

- How many years of experience do I have?
- What qualifications have I completed? Am I up to date on all educational requirements?
- What results have I achieved, such as money made/saved or quantifiable improvements integrated?
- What relevant industries have I worked within?
- Do I have any valuable industry network connections?
- What sets me apart and adds professional value?
- How does all this measure up with what they want from the role?

Aside from using this information to support your case, you can also use it to assess how much negotiating power you will have once their first offer is on the table. As a rule of thumb, you can usually ask for a 10% to 20% increase on what you are currently making. However, your previous experience, what the organisation wants from their new hire and how well these factors match will influence how much flexibility there is from the initial offer.

### Practice

Although some people might seem like natural negotiators, in reality it is a skill that needs to be practised and learned. Ask a friend to role play with you or go to a local market and haggle. Get comfortable and confident with the process and make sure you curb any phrases or actions you identify as unhelpful. By the time the conversation occurs, your muscle memory should kick in to help you clearly and concisely express yourself.

As a rule of thumb, you can usually ask for a 10% to 20% increase on what you are currently making.

## 2. Establish your position

You will not get a chance to negotiate a salary at all if you cannot prove that you are right for the job, so establish a strong position from start to finish.

### Make Them Want You

Being outstanding in the interview is one of the most critical steps in negotiating your goal salary. If you can demonstrate why you are right for the role and organisation, they will be more willing to do what they can to get you on board. To help put your best foot forward at this stage in the process check out our [Kinexus Interview Guide](#).

### Try to Avoid Sharing Your Current/Previous Salary

Although not always possible, try to avoid telling them what you make now. Employers often base their offer on a slight increase from this figure. If you were underpriced in your last role or you took the job based on other factors despite a low wage, you might end up in a constant cycle of being underpaid. There is nothing wrong with politely explaining that your rate should represent the value you can add now rather than the worth put on you in the past.

### Quote Your Goal Salary Range

Wait until you have received an offer from your employer before telling them your goal salary range. By that stage you know they want you for the role and in all likelihood would rather be flexible with salary than begin the hiring process again.

Make sure you explain in concise terms why you believe you should receive a salary within your quoted range. Previous steps in the process should have prepared you well for this moment.

It is essential you present a range rather than an exact number so you can:

- Avoid disappointment when you don't hit a specific number.
- Maintain a sense of flexibility with the hiring manager.
- Know when to walk away if they cannot meet the minimum value.

Keep in mind that when presented with a range employers will usually gravitate to the lower end of the spectrum.

### Clarify Your Expectations

Make sure you articulate your expectations and what your quoted range does or does not include, such as superannuation. Other benefits may also be available to you, so use this time to specify your ideal (and realistic) package.

Being outstanding in the interview is one of the most critical steps in negotiating your goal salary.

### 3. Bargaining and problem solving

Once salary package has been discussed concessions will need to be made to reach an amicable agreement on both sides.

#### Negotiating from the first offer

Once you have received their first offer:

- 1 Thank them for the offer and assure them you are enthusiastic about the role.
- 2 Refer back to the salary range you previously quoted and the objective reasons behind this.
- 3 Quote your counter offer politely and respectfully, justifying in clear, objective terms why you believe you deserve this salary. Emphasise what value you can add to them.
- 4 Give them the space to think and stand your ground while you wait for a response.

#### What If They Say No?

Firstly, politely find out their justification for the salary offered and keep their response in mind moving forward. Consider if the original offer is within your range and if you objectively think it is a fair remuneration for the role at hand. If not, you have three options:

- 1 Walk away.
- 2 Negotiate extras to bridge the gap between what they are offering and what you want.  
  
Some of these include:
  - Leave, including sick, annual, long service or parental.
  - Flexible working conditions such as telecommuting or working from home.
  - Flexible hours.
  - Membership or company perks such as a car, phone plan, gym membership or credit card.
  - A title change, such as something that means the same thing but will bolster your resume in the future.
  - Visibility and networking.
  - A signing bonus.
  - A severance package.
- 3 Propose a salary review or bonus structure. It might be possible to write a clause into your contract specifying that if you reach specific objectives within a given time frame, you will receive a set bonus or an automatic salary increase. Such a suggestion shows you are confident in your ability and assures them of your performance.





## 4. Closure and implementation

The final step in negotiating your salary is ensuring all parties are clear on what was agreed. Recount in your own words what you believe has been concluded and then get it in writing. Thoroughly review your contract to ensure they have included all factors.



Afterwards, all there is to do is officially celebrate your successful negotiation and new role!



For more content on brushing up  
your resume, check out our blogs [here](#)

[kinexus.com.au/blog/tag/negotiation](https://kinexus.com.au/blog/tag/negotiation)



KINEXUS

For more information, please contact

**t:** (02) 9492 7500

**e:** [enquiries@kinexus.com.au](mailto:enquiries@kinexus.com.au)

[kinexus.com.au](https://kinexus.com.au)

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