

### WHAT YOU NEED TO KNOW: 3 TOP THINGS TO CONSIDER WHEN NEGOTIATING SALARY

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Many people consider talking about money and salary as tasteless, or even taboo. Cultural norms further exacerbate the problem for women, who from a young age are discouraged from learning financial literacy and confidence about money matters that men are praised for. This has a major effect on women's lives, especially at critical points where they are faced with big financial decisions like taking out loans, investing and saving for retirement -- and negotiating a salary offer.

Women face pay inequity at every stage in their career, in every job sector, in every country in the world. In the United States, the average woman earns 80 cents for every dollar that a man makes; and it's worse for most women of color, people who identify as LGBTQ, and mothers. Talking about money is not a choice anymore; it's a *necessity*.

But where do you start? Salary negotiation can be daunting if you don't know how to navigate the conversation, especially if you are in the early stages of your career. The biggest mistake you could make is not trying—you should always negotiate a job offer. It is a completely normal part of a job interview process. It does not make you seem greedy and ungrateful; it shows to employers that you are confident about the value you will bring to the company. Here are some other common mistakes people make when negotiating their salary, and tips on how to deal with them:

# 1. Deflecting Questions about Salary History

If you can help it, do not share your salary history voluntarily on job applications or during interviews – the paycheck you received at your last job is not an indicator on what you should be paid in the future. In fact, several states and cities in the US have actually banned employers from asking salary history. If you get asked about your salary history, try and say something like "This position is different from my last job. I'd like to discuss what my responsibilities would be here and then determine a fair salary for this job." If you feel like you need to reveal your salary history or expectations, you should go ahead and respond to avoid tension, but try to share a range and make sure they know that it is not the end of the conversation.

In order to figure out your target salary, conduct market-based research using resources like <u>payscale.com</u> and <u>salary.com</u> that provide salary ranges for jobs in a given area. If you don't find answers on there, try searching sector-specific websites or the company's website; for most public universities and governments jobs, salary data is often public. As you are researching, keep in mind the sector and the financials of the company you are looking to get hired into; if the CEO of a non-profit makes \$200,000 and you are asking for \$150,000 as a manager, it's time to reconsider if this position and sector is the best fit for you.

## 2. Benefits, Benefits, Benefits

One of the biggest pieces of salary negotiation that is often overlooked are the benefits. Benefits not only have monetary value, they can bring a lot of personal value to your life. They can also fill the gap in a low-balled salary offer. Some benefits like health insurance, paid/sick



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leave, and retirement/pension packages are hard to negotiate because they are standard across the company. Other things like transportation stipends, professional development opportunities, remote work or flex-time, wellness benefits, title changes, moving expenses etc. can and *should* be negotiated. Employers are usually open to negotiating benefits, even when they've revealed their highest salary offer, because most benefits usually come out of a different "pool" of money in a budget, and you can use this to supplement your job offer.

### 3. Conversation vs. Confrontation

As often depicted in movies, negotiating your salary should never use a "take it or leave it" approach. It's a very normal *conversation* to have with a prospective employer. Here are a few tips to keep in mind:

- **Be open and flexible**: Although you should advocate for yourself, you should remain positive throughout the conversation. For example, if a company revealed their highest offer after a few back-and-forths, you can say something like "I appreciate your effort in getting me an offer closer to my target salary. I understand that this is the most you can offer based on your budget. Can we talk about a few benefits that can make this package more appealing?"
- **Don't get personal:** The hiring manager does not care if you have kids at home or a sick family member. They won't offer you more money because of those things, no matter how true or important they may be. They decided to make you an offer because of your value your background, skills, and experiences that will enable you do this job. Use those talking points and keep personal issues out of the salary conversation.

Like any other skill you want to learn, practice makes perfect. With these tips in mind, try role playing the salary conversation with a friend or family member. Remember: if you are in the interview stage where you've received an offer, the employer has chosen YOU. Chances are, they want to make it work as much as you do, as hiring processes can be time-consuming and costly. You should prepare for this as much as you prepare for your job interview. If you want to learn more strategies on how to advocate for a fair salary and benefits, check out AAUW Work Smart Online, a free online course that will help you navigate salary negotiation process.

In 2019, the World Economic Forum released a <u>report</u> finding that it will take about 208 years to close the earning gap between men and women. We can't wait until 2227 for equal pay. It's time we take money matters into our own hands.