

Evaluating Your Job Offer

A Job Offer, and how it is offered, can tell you a lot about a potential employer. An offer can reveal how serious the employer is about hiring you, how valuable you are to the company, how they operate, and how they treat their employees. This information can, and should impact whether you accept the offer or not.

Before you dive into the process of preparing for a Job Offer negotiation, you should determine if you want the job or not. You don't have to negotiation every Job Offer, if the job doesn't interest you.

Once you have determined that the job is of interest, and there is a chance that you and the employer have the possibility of striking a deal that is beneficial for you both, you can work on determining if you want to negotiation the Job Offer.

We recommend that you consider negotiating all Job Offers you receive (unless it is a special circumstance, for example, you are unemployed and feel they might revoke the offer, if there is low demand for your position in the job market, or if it's a once in a lifetime position).

Your goal in a Job Offer negotiation is to make sure the compensation and benefits in your Job Offer exceed or at least meet your current compensation and benefits, that you will be receiving fair pay for the work you will do (as priced in your area and industry), and that you get as much compensation and as many benefits and perks you can (it's easier getting them going in the door than negotiating them after you are an employee at the company).

Jobs are often offered on the phone and often come from the Human Resources Department (or sometimes from the Hiring Manager). The employer should offer more than just, "Congratulations, you've got the job." They should explain the offer in detail and answer your questions. You may receive a Job Offer letter at this stage instead. The advantage to receiving an offer via a phone call, is that you can do some negotiation before they put the offer in writing when they may be more malleable. Once you receive a Job Offer letter, that doesn't necessarily mean the Job Offer negotiation process is over.

In any case, you should receive a Job Offer letter, with all the details of the offer, after the negotiation is complete.

NOTE: Never give notice at your current job until you have the Job Offer Letter in hand and have fulfilled any contingency requirements and passed (such as a drug test).

It is customary to respond to a Job Offer within two to four days, but make sure you ask the person making the offer when they need a response. It is rare for an employer to expect you to accept a position immediately (and this may be a red flag to consider in determining whether to accept the offer).

Below is a discussion of some of the main components of every Job Offer. See our [List of Possible Job Offer Salary, Benefits, Compensation & Perks](#)

Job Title

Job titles are more than just names of jobs; they are an explanation of your job and its responsibilities. And, they have worth in the job market inside and outside your company. Also, higher job titles often come with higher percentage bonuses and other perks, so negotiating a higher job title can yield many benefits.

And, many people believe you can't negotiate a job title, but we have supported many people in successfully doing so over the years.

The difference in the title Vice President and Senior Director in the job market is quite substantial So obtaining a higher job title should be a goal if it is reasonable that the job and the duties you will perform would warrant it.

You can also negotiate consideration of a higher job title after a certain interval like 6 months or a year.

Salary

Salary is the most important part of the Job Offer and will impact other parts of your offer like your bonus (and possibly your perks). Your offer should contain the salary being offered. If there are Bonuses involved in the offer, they are the second most important part of the Job Offer.

However, don't forget that there are other areas of your Job Offer negotiation.

Ask about the timing of your salary reviews (when you would be eligible for a raise) and what raises are based on (for example, your performance, team performance, company performance, or a standard already specified amount).

You can also negotiate the timing of your first salary review if the salary offered does not meet your needs. You can ask for a 3 month or 6-month salary review with the intention of offering a salary increase if you are meeting specified performance goals.

Bonuses

Your Job Offer should contain information about any bonuses that are included in your Compensation Package and what they are based on (base pay, individual performance, team performance, company performance, a combination and what specific metrics are the bases).

Some people don't realize that there is another kind of bonus they can ask for: a Signing Bonus. A Signing Bonus is an incentive to accept the Job Offer. They are most often given if there is a large demand for the Job, if the candidate has a special set of skills, or if the job is at a management level or above. But we have seen employees at all levels receive Signing Bonuses.

According to Monster.com, Signing Bonuses are often 5-10% of Base Pay for middle managers and professionals. And 54% of Employers are using them.

If an employee referred you, they may receive a Referral Bonus. This bonus is often contingent on you being with the company for a specified amount of time.

Benefits

Compensation includes your benefits. Of course, the most important benefits are health and dental insurance. Ask who their provider(s) is, how much your contribution is, if any, what health plans are available, and when you will have coverage. Make sure you add these numbers to your Job Offer Evaluation Spreadsheet, they are an important and significant part of your job offer.

Usually benefits, such and health and dental coverage are not negotiable.

Your health insurance plan at your current job expires on the day you leave, but under federal COBRA laws you have the right to continue to purchase health insurance under your old plan for 18 or 36 months, depending on the plan.

We suggest you make a list of your current benefits or the benefits from your last job. You can add this to your Job Offer Evaluation Spreadsheet and use it as a baseline to evaluate Job Offers.

Some other benefits some companies offer are short-term and long-term disability insurance coverage, pension plans, retirement plans, life insurance, travel insurance, and severance packages.

Some companies, both public and private, offer stock or stock options as part of their compensation package. Find out how many shares you'll receive and when they vest. Vesting is the period over when an employee has the right to purchase and sell stock. Also, ask when the vesting period begins. Estimate Stock or Stock Options value should also be added to your Job Offer Evaluation Spreadsheet.

Vacation Time

Don't forget to ask about vacation time. Generally, every employee receives two weeks of vacation time each year; the number is usually higher for senior-level positions.

Vacation time also is negotiable if you are offered less time compared with what you have at your current job.

Two benefits often overlooked when evaluating a Job Offer are sick days and personal days (sometimes called floating holidays). These benefits should be stated in the offer letter, and you should clarify when you can access these benefits.

Usually, you have to wait 3 months before you can take a vacation or personal day, but this is also often negotiable. If you know ahead of time about an upcoming engagement, negotiate now so that there will be no surprises later. You can always ask for an unpaid day, if the company won't budge.

Start Date

Your Start Date should be stated in the Job Offer letter. If you are currently employed, the start date should be at least two weeks later, so that you can give your current employer 2 weeks notice.

Your Start Date could be as much as four weeks out if you are a manager or if it takes longer to find a candidate for your current position.

Perks

There are many Perks a company can offer to entice you to accept the offer and to increase employee retention. Almost all positions these days have some Perks. Of course, managers, directors, and executives have increasingly more attractive Perks. See our [List of Possible Job Offer Salary, Benefits, Compensation & Perks](#) for items to negotiate for during your Job Offer Negotiation.

And, remember, try not to leave anything "on the table" (any compensation or perks you could have had). The time to get what you need is prior to walking through the door.