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**In order to successfully evaluate and negotiate a job offer, we recommend the following:**

**1. When you receive the offer, record it and decide if you will accept or decline it:**

- Enter the offer to the Tepper Offer Database, **all offers, whether accepted or declined, need to be added to the database.** This information helps your classmates and the school. **Declined or pending offers do not affect your access to recruiting in any way.** Your personal information is never divulged or shared with others, except in an aggregate, anonymous form.  
To access the Offer Database: [://student-3k.tepper.cmu.edu/student/](http://student-3k.tepper.cmu.edu/student/)
- For an internship offer: The COC does not recommend that students attempt to negotiate summer internship offers. The internship is a short term commitment and not about money. If an offer is very low or unusual, speak with a COC Counselor for their advice on how to handle it.
- For a full-time offer: You should first ask yourself: Do I want this job?  
**If not, you should stop here and not waste your time and the employer's time negotiating an offer if you positively know you will not accept it.**  
Inform the employer in writing that you are appreciative of their interest in you, but you are not able to accept their offer as you are pursuing opportunities more closely aligned with your career goals. Offer to connect the employer with the COC to assist them in promoting the opportunity to other Tepper students.
- If you are interested in accepting the offer, you are ready to evaluate the offer.**

**2. To evaluate the offer, get it in writing & then do some research:**

- You should understand the company that is making the offer: Do they hire large numbers (cohorts) of MBAs, or do they hire very few? If they hire in cohorts (common in banking and consulting), there is often little to no room or ability to negotiate, as everyone will start at the same salary and title.
- Typically, employers will tell you in the offer letter how much time you have to decide. For graduating students, the COC's Offer Guideline for employers asks them to give you until December 15, or three weeks after the offer is made, whichever is later. For internship offers, they are asked to give you until March 1, or one week after the offer is made, whichever is later. **Some**

**employers will not be able or willing to follow this guideline, and may extend offers with different deadlines. You should feel free to make the company aware of the Tepper Offer Guidelines, and in many cases this may help you to gain more time.** You should speak with a COC Counselor if you would like some guidance on having this conversation with an employer.

- If you are given a verbal offer, ask for it in writing!** Tell the employer that you are appreciative and interested, but need to take time to fully understand the opportunity and are looking forward to receiving the offer letter. This is common business practice and you should not feel pressured to accept a verbal offer. This eliminates any confusion on either side. The offer letter should contain all of the details of the offer, decision date, and a contact person, in case you have any questions. The contact may be the potential supervisor, or an HR representative.
- Learn as much as you can about the offer policy of the company. This is done by speaking with classmates and young alumni who have received offers from this company, and by speaking with the COC. The COC has offer information for Tepper students going back to the 1990s, and we can use this data to help you evaluate your offer, based on past offers the company may have made to Tepper students, or offers from similar companies within the industry, function or within geography. The COC may also be able to tell you if other students have successfully negotiated offers with a particular company, or if the company has a policy of not negotiating offers.
- Review the Tepper Salary Statistics online on the COC website: [://www.tepper.cmu.edu/corporations-and-recruiters/recruiters/salary-statistics/index](http://www.tepper.cmu.edu/corporations-and-recruiters/recruiters/salary-statistics/index). This gives you average salaries for MBA and MSCF students, as well as signing bonus data and is broken out by industry, function, geography and other factors. Feel free to refer employers to this resource, or to the COC, if they ask any questions about Tepper salaries.
- You are now ready to decide if you should negotiate the offer.



**3. What should you know about the offer before you attempt to negotiate? What aspects may be negotiable?**

- What is your title?** Your title gives you a functional explanation of your position and its responsibilities. It is important to understand what is expected of you. You do not want to accept a position thinking you will be doing one thing, and find out that the reality is much different.
- Who is your Supervisor?** (Note that for various reasons, employers may not always be able to tell you who your supervisor will be until you start). If possible, you will be presented with the name and title of your immediate supervisor. If you have not met that person, it is a good idea to do so even if you would have to do so at your own cost (you probably would not have to absorb the cost) before accepting a position.

- **How much is your starting salary?** Make sure you have a good understanding of your market value from the Tepper School of Business published salary statistics, and/or some of the other bookmarked salary calculators. A COC Counselor can assist you with this.
- **When will you get your performance review?** And, ask about the timing of your performance review – which is when will you be eligible for a raise. Generally, the review will take place one year from your start date.
- **Is there a Signing Bonus?** And, if so, how much and how is it paid out? Refer to the Tepper Salary Statistics and talk to COC or young alumni to get an idea of whether or not a signing bonus is viable before you ask about one. Many industries do not pay a bonus, or may pay a small one as a standard practice. Understand the timing of when you will receive it and how long you must remain at the company before you do not have to repay it upon resigning or termination. Practices vary from company to company, or even across functions at the same company.
- **Are moving expenses covered?** Are they paid in advance in a lump sum, or are you to turn in receipts afterwards? Is a house/apartment hunting trip covered or is there assistance available with finding housing?
- **Is there a Performance-based Bonus?** And, if so, what is it based on? Is it based on your personal performance, your department's performance, the company's profit, or some combination of these? If a performance bonus is not part of your initial compensation, you might try to learn the level you need to progress to within this organization to be eligible for a performance bonus.
- **What benefits are you eligible for?** Understand the options and costs of medical and other benefits. You want to know “what you are buying” if you accept their offer. Additional common benefits include stock options, retirement plans and life insurance. If you are offered stocks, how many shares will you receive and when are they fully vested (how long you must work there before they are truly “yours”)?
- **How much vacation time?** Most new employees receive two weeks of vacation time each year; the number of weeks tend to increase as you gain seniority. If the amount of vacation you have been offered is less time compared with what you had in your previous position, you may be able to negotiate an increase if you decide that this is a position you want. Some companies do not permit a new employee to take vacation until they have worked at the company for a pre-determined period of time. However, if you know you need to be off (to be married, etc.) within the first year, make sure you know the company's policy, and be upfront with your supervisor before accepting.
- **When is your start date?** Your start date may be designated by pre-determined programs held for “classes” of new MBA or MSCF hires. Make sure you understand the company's needs before accepting.
- **Where will you be working?** In which city or office will you begin working? If a

rotational program, you may or may not know your first rotation before you have to accept the offer.

#### 4. With whom, what and how should you negotiate?

- The decision about with whom to negotiate is influenced by who sent you the formal offer letter, and the directions contained within the letter.
- Any of the items above may be negotiable, but it's important not to create a large laundry list, but to identify a small number of things that are important to you.** For example, if your COC Counselor has offer data showing your salary/bonus are very favorable, compared to past offers, there is probably little chance of success in trying to negotiate those. When negotiating, you are communicating (directly or indirectly) with your future supervisor who will have considerable influence over future raises, promotions, and assignments. **So, don't get off to a bad start at your new job because you were greedy or misinformed.**
- How do you negotiate?
- The previous research you should have done (see above) will serve you well. **Armed with data, you will know the areas where you may have leverage and can share factual information.** You must be able to back up any request with data or you will look bad. **Your personal needs and wants are completely irrelevant to the company, whose main concern is finding appropriate talent and paying them fairly in respect to their policies and current compensation guidelines.**
- Begin the process by writing an email to the contact person listed in your offer letter. **The note should express your gratitude for the offer, and your excitement and ask for an opportunity for a phone call to discuss some details of the offer before you are prepared to accept.** For example, you might say "Given the salary statistics for my class, I would like to discuss the base salary and signing bonus with you". OR "I realize you would like me to start working on August 1, but my brother/sister/best friend is getting married on August 5 and I am in the wedding, is it possible to start working in mid-August?"
- If discussing salary/bonus, you should avoid suggesting a specific number to the employer. **The danger in doing so is that your number could be too low (and cost yourself money) or too high (and cost yourself the job opportunity).** Yes, employers have rescinded an offer when students indicate a need that is well beyond their range. Example, if pressed for a number: "Given the Tepper salary range data I have shared with you, I remain very excited about this opportunity and I have no doubt that I will be treated fairly."
- The conversation may likely go in one of four directions:
  - The employer may say, "No." In which case, you should say, "Thank you and please let me just think about this offer for a few days. I'll get back to you."

You will need to decide if you are satisfied with the offer as it is and whether you are being realistic and your market value. **Is it worth losing the opportunity, if it is well-suited for you in most other ways?**

- The employer may say, “How much? Or, “What do you need?” You need to make your case with data, not personal wishes, preferably not giving a specific figure, but rather focus on a range. “Marketing salaries for Tepper MBAs are in the XXXXtoYYYY range this year, I can send you the weblink”.
- The employer increases the offer by a small amount (\$2-3,000). **You need to decide what your threshold for acceptance is.** Again, this should be backed up by data and a realistic assessment of your interest in the position and your market value. You can let them know you will think it over and get back to them. If you truly need more time to decide, you can ask for an extension of 1-2 weeks (typical).
- The employer offers more than you expected. This is unlikely. But obviously, you should accept it gracefully!
- **If any facet of the offer has changed, you must get the revised offer in writing.** Your offer letter is like a contract. Don't sign it unless it is to your agreed upon specifications.
- **If you are successful in negotiating the factors you indicated were of concern, it is extremely unprofessional to then ask for consideration on factors that you did not initially indicate were of concern to you.** However, if you are unsuccessful in negotiating salary, for example, it is acceptable to ask for consideration with the signing bonus or relocation expenses.
- Sometimes it is difficult to obtain a revised written offer from the company by the time you need to formally submit your decision. Under those circumstances, we recommend a carefully drafted letter detailing the changes from the original offer letter, and then include your acceptance of the revised offer. Again, this will be your employment contract.

##### 5. ONCE YOU ACCEPT AN OFFER...

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- **Update the offer database with any new details that have changed**
  - **Honor your commitment and cease all recruiting activity**
  - **Remember to update your network and Tepper Compass**
  - **Congratulations!**