Job Offer Acceptance

Guidance for Young SH&E Professionals & Those Considering a Career Move

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IN BRIEF
- This article is intended for new safety professionals who are beginning to receive job offers from multiple employers and for safety professionals who are exploring a new opportunity with another company.
- It discusses the major considerations beyond salary that an SH&E professional should assess when comparing multiple job offers.
- A hypothetical scenario is provided to help the reader compare two job offers and understand how to weigh other factors when considering job offers.

A written job offer finally arrives, perhaps even multiple offers. The SH&E professional must now make a decision. What questions should s/he ask? Since every job offer is different, one must understand the entire offer. To make an informed decision, one must match a job offer to wants and needs, and must fully understand the entire compensation and work package that is being offered, not just the salary component.

This article is a resource for new SH&E professionals entering the field as well as seasoned professionals considering other opportunities. It discusses how to calculate salary requirements, compare multiple job offers, and negotiate a salary and related benefits. It explains why a job candidate must assess how the SH&E function fits in the organization and how this may affect the SH&E professional. Two job scenarios are provided to help SH&E professionals recognize the intangible components of job offers and how the various benefits factor into an overall offer.

What Are My Salary Requirements?

Before considering an offer, one must determine minimum salary requirements. This requires a budget because the candidate must know what amount is needed to pay bills and make desired purchases. When considering a budget, one must determine monthly expenses (see sidebar).

After determining expenses, the easiest way to factor them into a budget is to determine their monthly or quarterly costs. One common method is to list the expense type in the left-hand column of a table, then calculate the monthly cost for that expense; this provides a good indication of what will come out of the monthly salary figure (Figure 1, p. 52). Some expenses are fixed (i.e., cost the same each month such as a car payment or rent),

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Examples of Monthly Expenses

Home Expenses
Mortgage or rent
Insurance (homeowner's or renter's)
Property taxes
Home repairs/homeowner's association costs
Home improvements

Utility Expenses
Electricity
Water/sewage
Gas/oil/propane
Telephone (land line and cellular)
Trash
Cable, Internet

Medical Expenses
Insurance premiums
Unreimbursed medical expenses, copays
Fitness (e.g., yoga, massage, gym)

Food Expenses
Groceries
Eating out, lunch, coffee

Transportation Expenses
Car payment
Car insurance
Car maintenance, registration, inspections
Fuel

Debt Expenses
Credit cards
Student loans
Other debt (e.g., consolidation)

Savings Expenses
Savings (including emergency funds)
Investments [e.g., 401(k), IRA]
Stocks, bonds, mutual funds

Miscellaneous Expenses
Vacation
Clothing (buying, cleaning)
Household products/toiletries
Grooming (e.g., hair, nails)
Entertainment
Other (e.g., hobbies, pets, dues, gifts)

Note. *Childcare costs are not included as it is assumed most young safety professionals are not yet parents.*

while others vary month to month (e.g., utilities, food, entertainment, car maintenance, gas). Some expenses, such as sewage, water or car insurance, are billed quarterly, semiannually, annually or on similar terms. Therefore, monthly calculations must be adjusted to factor in this billing frequency.

Next, subtract expenses from the net monthly income to determine a balance gain or deficit. The net monthly income from the job offer is placed in a column labeled "Net Monthly Income." However, several other factors must be considered when calculating net monthly income.

For example, if the proposed salary is an annual salary, first divide the amount by 12 to determine the net monthly income. Keep in mind that salary is presented as gross income (i.e., total before taxes, health insurance and similar deductions); net income is the amount actually received. One way to determine net income is to subtract approximately 22% to 28% from the offer (gross income) for average withholdings. Given 28% withholding, for example, a job offer of $40,000/year translates to a net income of approximately $28,800 for a net monthly income of $2,300.

Table 1 (p. 52) offers guidance on what percentage of net income should be spent in different expense categories (Mills, 2010). Understanding how specific items contribute reveals where money is spent. Calculating a budget and determining where money is going provides a good indicator of minimum salary requirements. Based on data from an NSC compensation survey, Bello (2010) provides information on what SH&E professionals at various career stages can expect in terms of compensation (Table 2, p. 53).

Does Job Location Affect Salary?

Location can affect the amount of salary offered as well as living expenses. For example, a salary of $50,000/year in Pittsburgh, PA, is not equivalent to a salary of $50,000/year in New York, NY, because of the higher cost of living (e.g., food, housing, taxes) in New York. Various online tools can help a job candidate better understand how a salary in one city compares to the same salary in another city.

Many of these tools ask for current salary and location (city and state), and the location where the user wishes to relocate. For example, let's compare $50,000/year in Pittsburgh, PA, to that salary in Fort Worth, TX. Salary.com uses a cost-of-living calculator to calculate both a cost-of-living comparison and a salary comparison. In this example, the tool reports that the cost of living in Fort Worth is 5.8% lower than in Pittsburgh. Therefore, one need only earn $47,112 to maintain a current or intended standard of living in Fort Worth (Salary.com, 12/20/10). The salary comparison from this site also shows that employers in Fort Worth typically pay 1.2% less than employers in Pittsburgh. Therefore, a candidate who takes the same type of job in the same type of company in Fort Worth will likely to earn $49,453 (Salary.com, 12/20/10).

Other websites offer similar tools. Bankrate.com compares costs of specific items (e.g., gasoline, utilities, specific food) in one city versus another. Candidates also should check sites such as Sperling's Best Places, Payscale.com, Homefair.com and the living wage calculator created by Penn State University (2011).

According to Bello (2010), the Pacific and Moun-

Figure 1

3-Month Expense Spreadsheet

Expense	Jan.	Feb.	Mar.
Mortgage			
Homeowner's Insurance			
Electricity			
Groceries			
Net monthly income			
Balance + or -			

tain region and the Mid-Atlantic region earn higher wages than the rest of the U.S. and "the largest percentage of respondents who work in those two regions earn $100,000 to $125,999." Bello also reports that BLS data confirm these results by indicating that safety professionals working in Connecticut, New Jersey, Massachusetts and Alaska earn some of the highest wages.

What Does the Job Offer Package Really Mean?

Once salary requirements are determined, the candidate must evaluate the entire compensation package, not just salary. While annual pay is important, pay distribution and other benefits also factor into overall value. Some aspects can be easily assessed while others are more intangible. A job offer and its benefits package (including additional company perks) should be assessed and evaluated in its totality. But what does it all mean?

Is the Position Exempt or Nonexempt?

Young safety professionals often question whether it is wise to accept a safety position at an hourly rate versus a salary. Although most jobs are governed by the Fair Labor Standards Act (FLSA) (Chamberlain, Kaufman & Jones), some are excluded from FLSA coverage by statute. Other jobs, while governed by FLSA, are considered exempt from FLSA overtime rules. This depends on 1) how much a person is paid; 2) how s/he is paid; and 3) the work performed (Chamberlain, et al.). Thus, it is relevant to ask, "Am I entitled to overtime pay?"

A nonexempt position is paid overtime. More specifically, the employee receives the agreed hourly rate amount for the exact number of hours worked during a pay period, then an additional 1.5 times the regular pay rate for hours worked in excess of 40 in a work week (FLSA 29 USC 201 et seq.; 29 CFR Parts 510 to 794). Nonexempt positions are paid only when work is performed, and many do not receive holiday, sick or vacation pay (although some employers do pay employees for those times). For most nonexempt employees, the normal work period is 7 consecutive days and the normal FLSA overtime threshold is 40 hours per work week (Chamberlain, et al.).

Exempt positions are paid the agreed-on salary if performing any hours of work during a pay period; this guaranteed salary usually includes paid holidays, sick time, vacation time and some flexibility in work schedule. Positions classified as exempt have virtually no rights under FLSA overtime rules according to the FLSA website and, thus, are not entitled to overtime pay.

Each classification has pros and cons. The key is to understand the expected work schedule and the effect of each. Let's compare two employees. One holds an exempt position with a $50,000 annual salary and the other is nonexempt with a $45,000 annual salary. Each works for a company that has two outages per year (a brief period when normal production stops and major maintenance work is completed). Suppose the outage lasts 5 weeks and all employees will work 6 days a week for 10 hours each day during this period. If the employer has only two outages, and both employees work no more than 40 hours per week for the rest of the year, the lower annual base salary for the nonexempt employee would result in higher annual earnings. If more hours are worked, the gap would naturally increase. This is why understanding salary type/status and expected working hours can be as important as the salary itself. However, some exempt positions offer a salary and a performance bonus, or pay incentive, for outage-type projects (Table 3).

In addition, some organizations may provide compensatory time to exempt employees for overtime worked, but this is not mandated. However, private-sector employers cannot offer compensatory time in lieu of cash for nonexempt employees. The bottom line: When considering either an exempt (salaried) or nonexempt (hourly) position, a job candidate must understand what each classification entails and be ready to ask questions so the parameters are clear before accepting the position.

What About Travel Expenses?

Per diem is a daily, predetermined amount that an employee receives to cover the cost of food, travel and living expenses related to work. It reimburses the employee at a standard rate without regard to the amount of money actually spent. Companies often use the per diem rate guide published by the General Services Administration (2011), which provides varying rates for several U.S. cities. Per diem is often paid during extended projects located away

Table 1

Recommended Percentage of Income Used Toward Specific Categories of Expenses

Taxes	**22% to 28%**
Housing: Renting or buying a house or apartment	29%
Other loan payments: Car, student loans, credit cards	10%
Transportation: Gas, car maintenance, public transportation	4%
Food: At home and dining out	13%
Medical care: Bills and insurance	8%
Fuel and utilities: Water, electricity, gas, phone (home and cellular), sewage, etc.	4%
Clothing: Purchase and upkeep	3%
Entertainment: Not including meals	2.5%
Miscellaneous expenses	2%
Savings	2.5%
Total	**100%**

Note. *Childcare costs are not included as it is assumed most young safety professionals are not yet parents.*

from home base (e.g., a 3-month construction outage at a nuclear power plant). Additional per diem information is available from IRS (2011).

What About Health, Vision & Dental Insurance Benefits?

Employers realize the need to manage the bottom line for benefit costs, so a potential employee must understand how those costs are handled (Metlife, 2010). Health insurance plans are a primary component of most benefit packages and present important questions. For example, does the plan offer dependent coverage? What are the actual out-of-pocket expenses required for the health insurance benefit (e.g., monthly employee portion, deductibles/copays)? Does the plan include dental, vision and prescription drug benefits? According to Doyle (2011), about 75% of companies offer health insurance, but almost as many require some employee contribution toward the cost.

Table 2

Salary by Years Worked in SH&E Field

	Years						
	<2	2 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25+
Total	6.3%	11.6%	18.2%	17.5%	14.3%	12.8%	19.1%
2010 Salary	%	%	%	%	%	%	%
Less than $30,000	21.4%	10.7	21.4	7.1	6.0	3.6	29.8
$30,000-$39,999	20.4%	20.4	20.4	16.1	8.8	6.6	7.3
$40,000-$49,999	8.6%	24.3	24.7	16.9	11.5	4.5	9.5
$50,000-$59,999	7.9%	18.6	21.1	16.6	14.6	9.0	12.1
$60,000-$69,999	5.5%	13.6	23.6	21.2	13.4	11.0	11.8
$70,000-$79,999	4.6%	8.6	13.4	22.6	16.3	12.9	15.7
$80,000-$89,999	2.2%	6.9	15.5	22.7	18.1	16.2	18.4
$90,000-$99,999	3.4	3.8	11.5	16.8	12.5	21.2	30.8
$100,000-$125,999	1.9%	3.5	9.3	12.0	18.9	20.8	33.6
$126,000-$149,999	0.0%	1.1	12.5	10.2	17.0	22.7	36.3
$150,000 or more	6.8%	5.5	9.6	6.8	9.6	13.7	47.9

Note. *Data from "Salary survey 2010," by D. Bello, 2010,* Safety+Health, *pp. 39-44.*

How About a Company Vehicle?

Many safety positions require travel to multiple locations. A company vehicle or mileage reimbursement program may be another component of a compensation package. Employers that provide this element typically take one of three basic approaches: company vehicle, mileage reimbursement or vehicle allotment.

Each plan has advantages and disadvantages. For example, a company vehicle is generally viewed as a valuable benefit and often comes with a corporate fuel card and auto insurance. It reduces wear on a personal vehicle or may eliminate personal car expenses. However, the company may impose restrictions related to allowable drivers and use after work hours. A job candidate also should research any tax implications.

Some employees prefer mileage reimbursement because if properly managed, the mileage eventually covers the cost of the vehicle and enables the employee to gain an asset. Current IRS mileage reimbursement until December 2012 is 55.5 cents per business mile driven (R-2011-116, Dec. 9, 2011). Employers are not required to reimburse employees this amount; however, it may be possible to deduct the difference on personal taxes.

A third option is a vehicle allotment plan, which includes an established amount in the employee's base pay, then requires no expense reports or receipt tracking. However, the amount paid to the employee is considered taxable income; in addition, the amount must be sufficient to cover the costs of vehicle payment, insurance, fuel and repairs.

Table 4 provides examples of each option based on an employee driving 20,000 business miles per year in a car that gets 25 mpg using fuel at $3.70 per gallon. Several factors can influence the bottom line when comparing vehicle plans, such as vehicle age, gas mileage and reliability. However, tax implications perhaps have the most considerable effect when considering a job offer, and one should consult a tax professional.

Table 3

Exempt vs. Nonexempt Salary Comparison

Two Outages: 5 weeks each of 6/10s		
	Nonexempt employee $45,000 annual salary	Exempt employee $50,000 annual salary
Salary paid for 10 weeks	$8,654	$9,615
Additional overtime paid	$6,490	--
Total pay (10 weeks):	$15,144	$9,615

Table 4

Vehicle Plan Comparison

Comparing vehicle programs with 20,000 annual miles (~ 85miles a day)			
	Company Vehicle	Mileage reimbursement 20K × .55/mile = $11,100	Vehicle allotment +$10,000 to salary
Less taxes	- $500	--	-$2,800
Monthly car payment = $500	Company paid	-$6,000	-$6,000
Fuel (25 mpg @ $3.75)	Company paid	-$3,000	-$3,000
Car insurance	Company paid	-$800	-$800
Repairs/tires/oil changes	Company paid	-$1,000	-$1,000
	-$500	+$200	-$3,600

How About Disability & Life Insurance?

Most companies offer short- and long-term disability insurance that will provide income in the event that one cannot work due to disability. When considering a job offer, a candidate should ask what the percentage is, whether it can change over time and on what it is based (University of Wisconsin-EuClaire Career Services, 2011). For new professionals, life insurance many seem unimportant, but that changes once married or when starting a family.

How Many Vacation/Sick/Personal Days?

Typically, employers offer 2 weeks of vacation during the first year and one additional day per year of service after that (University of Wisconsin-EauClaire, 2011). However, since plans differ, a job candidate should ask how much vacation time is available the first year and whether this is negotiable; whether monies can be received for unused time; and whether unused time rolls over from year to year. It also is important to determine whether a maximum number of days are allowed per year and whether specific policies dictate when vacation must be scheduled (e.g., weeks or months in advance). A candidate should pose similar questions about sick and personal days.

What Are the Paid Holidays?

According to Doyle (2011), the average number of annual paid holidays in the U.S. is 10. Most companies cover six standard holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day). Other days covered may include the day after Thanksgiving, Christmas Eve, Veterans Day, Columbus Day or Presidents' Day.

Are There Profit Sharing or Stock Options?

If a company offers profit sharing, a candidate should learn whether there is a maximum matching amount and what amounts have been matched in the past. Some companies offer stock options that allow employees to purchase company stock below the market price, and the transaction may be exempt from broker fees. It is advisable to consult a financial advisor about these options.

What Is the Retirement Plan?

When contemplating job offers, one must assess and compare pension plans. While young professionals may consider delaying investing in the future, it is best to start saving and contributing to retirement plans immediately.

Before evaluating the type of plan offered, one should ask about the vesting period. Vesting means ownership of the employer's contribution portion. According to IRS (2011), when an employee is 100% vested, s/he owns 100% of the account and the employer cannot forfeit or take it back for any reason. Many employers included vesting periods in retirement plans, which means significant dollars in matching funds could be lost if separated from the company before the vesting period ends.

Some plans, such as a simplified employee pension (SEP) plan or the Simple IRA, have no vesting period, which means that all dollars contributed are 100% owned by the employee (IRS, 2011). Other plans, such as a 401(k) or profit-sharing plan, can vary between no vesting to a prorated gain each year for several years. To a Millennial who might not stay with a first job for a long duration, offers with vested plans may not be as attractive as offers with immediate ownership.

Generally speaking, organizations offer two types of pension plans: defined benefit plans and defined contribution plans (DOL, 2002). A defined benefit pension plan is one in which a specified benefit (i.e., an annuity) is received by the employee for life on a recurring basis (typically monthly) beginning at retirement. This type of plan often is associated with larger companies. The benefit amount is predetermined by an algorithm based on factors such as the employee's earnings history, years of service and age, rather than depending on investment returns. In the private sector, defined benefit plans are normally funded exclusively by employer contributions, while in the public sector, these plans require employee contributions.

These plans tend to be less portable than defined contribution plans. However, a major advantage is that retirees do not bear the risk of low investment returns or contributions outliving their retirement income. The open-ended nature of these risks by employers is a major reason many companies switched to defined contribution plans. In fact, the percentage of workers covered by a defined benefit pension plan has steadily declined over the past 25 years. From 1980 through 2008, the proportion of private wage and salary workers participating in such plans dropped from 38% to 20% (BLS, 2008; DOL, 2009; Purcell & Staman, 2009).

For a job candidate, it is difficult to assess the present and future value of these plans because many economic and financial assumptions need to be made. But the potential employee can make several consistent assumptions (e.g., years of employment with company, estimated future increases in salary) to loosely estimate the amount of annuity upon retirement.

In a defined contribution plan, the employer's annual contribution amount is specified. This type of plan does not promise the employee a specific amount of benefits at retirement. Examples of defined contribution plans include individual retirement accounts (IRAs) and 401(k) plans. Reflecting the popularity of these plans, the percentage of private wage and salary workers covered by only a defined contribution plans increased from 8% to 31% from 1980 through 2008 (BLS, 2008; DOL, 2009; Purcell & Staman, 2009).

A person contemplating employment with a company offering a retirement plan needs to pay careful attention to the percentage of employee contributions that the company will match (e.g., 100%). This match can effectively be viewed as a before-tax increase in salary. For example, if the employer matches 100% of the first 5% of the employee contribution and the employee's salary is $50,000, this effectively translates to a salary increase of $2,500, although these monies are not generally available for use until retirement.

What About Fringe Benefits & Intangibles?

While one must understand the fundamentals of a job offer, those elements may not necessarily speak to quality of life once the position is accepted. Thus, a candidate needs to consider fringe benefits and intangibles used to recruit employees. A candidate must weigh the personal importance of these variables, which may include tuition reimbursement and support for professional development (e.g., such as pursuing a certification or designation). Other examples include childcare services, maternity leave, relocation expenses, signing bonuses, health-club memberships, mobile phone subsidy and parking subsidy (University of Wisconsin-Eau Claire, 2011).

Examples of intangibles include travel, safety climate of the organization, job growth potential, moving closer to or farther from family, intention to stay with the company long term, organizational layoff history, desire to work in a particular industry, flexible work schedule, telecommuting options and flexible dress code (University of Wisconsin-Eau Claire, 2011). While these benefits and intangibles are too extensive to discuss individually in this article, let's focus on one that may not be readily apparent: the reporting structure of the SH&E role.

Where Does SH&E Fit in the Organization?

When selecting a job offer, one should consider the organizational placement of that function. Generally, the higher the position within the organizational hierarchy the better it is for the candidate. It also is better if the position reports organizationally (and directly) to the general manager or field manager (or other top position in the organization). Such arrangements indicate that the organization takes SH&E seriously and it affords access to key decision makers from the perspective of influence, strategic planning and budget allocation.

The safety function often is viewed as an overhead and/or indirect organizational cost. Thus, its costs are spread across many organizational units and cannot be prescribed to any particular one. In other instances, safety is aligned with a profit center and is considered a direct cost. Therefore, the safety function may report to production (or another profit center in service-type organizations). In these cases, SH&E is not be considered a drain on profits, but a cost of doing business. However, SH&E goals and production goals are often antagonistic; thus, while this organizational placement has some benefits, the candidate must recognize the potential conflict between meeting production goals versus meeting SH&E goals. Review of the organization's performance measures and criteria used in performance evaluations often reveals whether such conflicts exist.

In addition, a candidate should consider other factors when evaluating a position, especially in organizations with a large numbers of SH&E professionals for which statistics can be obtained. Turnover rate among these employees should be considered; a high rate (e.g., more than 25% annually) may indicate dissatisfaction with the company or safety function, while a low rate may suggest that employees are content or have underdeveloped skill sets, or that future advancement opportunities within the organization are limited. It is difficult to state an acceptable turnover rate for safety professionals, but it should not differ from other technical employees in the organization.

It also is important to determine the opportunities for exposure to different positions and/or business units (within and outside the SH&E organization) and to different sites, especially related to promotions. The more flexibility exhibited historically in satisfying employees' personal and career management needs, the more likely that organization will create a rewarding position.

What Decision Should I Make?

To better illustrate the process of evaluating job offer fundamentals, perks and intangibles, consider a hypothetical case in which a new SH&E professional receives two job offers. Table 5 (p. 56) provides a framework to evaluate salary and region-specific costs (e.g., average mortgage expense, average utility costs), and Table 6 (p. 56) provides a framework to evaluate additional benefits, perks and intangibles. The perks and intangibles are listed in priority according to importance to the candidate. A candidate can place checkmarks next to the aspect considered more valuable between positions (in some cases, both offers may receive checkmarks). Where possible, quantifiable estimates of added value should be calculated and entered into the worksheet. The offer that favors the individual's personal preferences will have the most checkmarks toward the upper half of the list.

Hypothetical Case

A new graduate receives two offers, one in her hometown of Nashville, TN, with a *Fortune* 500 national company, the other in Syracuse, NY, with a *Fortune* 500 international company. The Syracuse offer is in the expanding oil and gas industry, and requires overnight stays approximately 25% of the time. It also offers career advancement and growth. The Nashville offer is in a flat manufacturing industry and travel is minimal.

The Syracuse offer appears to be more valuable at first glance, given the higher salary, lower housing costs and lower sales tax (although state income taxes are higher). Items of concern include higher average utility and average daycare costs.

The next step is to consider the perks and intangibles using a checklist approach. The SH&E professional listed retirement as the most important aspect followed by the opportunity for compensatory time, a signing bonus, the amount of off-site travel required and professional development opportunities. The Nashville offer takes a slight lead with one more check for the higher priority items, specifically a pension plan, a 401(k) match and ample funds for personal development. However, the Nashville offer falls short in that the incumbent is expected to be on call with no overtime or compensatory time opportunities. In comparison, Syracuse offers a $5,000 signing bonus and higher 401(k) match. Tuition reimbursement seems to be equivalent as long as the incumbent meets the service requirements of the tuition reimbursement policy. The company-supplied vehicle is a win for the Nashville offer (adding an annual value of $2,800 for Nashville compared to a cost of $3,900 for Syracuse).

While annual pay is important, pay distribution and other benefits also factor into the overall value of a job offer.

Table 5

Comparing Job Offer Fundamentals

	Syracuse, NY	Nashville, TN	Source
Annual salary	$58,000.00	$55,000.00	
Monthly salary	$4,833.33	$4,583.33	
Annual federal income taxes	25% $14,500	25% $13,750	www.forbes.com
Annual state income tax	Ranges from 4.0 - 8.97%; for this example the median (M=6.5%)will be used $3,770	No state income tax on salary. $0	www.taxadmin.org
Avg. cost of home	$134,008.00	$302,338.00	www.trulia.com
Monthly 30-year mortgage at 4.5%	$684.03	$1,531.90	www.bankrate.com
[a]Avg. monthly cost of medical, dental, vision	$92.43	$92.43	ww.bls.org
[b]Monthly net income	**$2,534.37**	**$1,813.17**	
Other cost considerations			
[c]Utilities (measured by Utility Index)	112.3	85.8	www.areavibes.com
Avg. cost of daycare/month	$836.00	$488.00	www.childcaresyracuse.org www.naccrra.org
Sales tax	8.25%	9.25%	www.homeinsight.com

Note. *[a]This amount does not include expenses associated with copays, emergency room costs, prescriptions, etc. The actual costs will vary depending upon the health plan selected. [b]Monthly income (minus mortgage, federal and state withholdings, and medical insurance costs); [c]On average, one will spend 23.6% less on residential utilities in Nashville, TN, as compared to Syracuse, NY.*

However, the safety climate at the Nashville site could be a deal breaker. Local newspaper articles reveal union-management strife and high turnover. In addition, the candidate discovers several blogs that contain negative remarks about the culture. The company's annual report has no mention of the company's SH&E performance, nor does its website clearly state an SH&E policy.

However, the reporting structure in Nashville is a positive. The position reports to an SH&E director who reports to the general manager. This means more visibility than in the Syracuse organization, where the position reports to operations. The candidate is undecided about the importance of living close to family in Nashville.

At this point, the candidate considers the approximate monetary added value of each aspect. For example, in considering the annual added value, Nashville offers cost benefits in terms of 3% 401(k) match ($1,650); $7,000 in personal development money; a company-supplied vehicle ($2,800), which collectively sum to $11,450.

The Syracuse position offers $3,480 in 401(k) match; in addition, its higher salary equates to an additional $8,652 per year [see Table 7; ($2,534 - $1,813) x 12 = $8,652]. However, it poses travel costs of $1,400/year, and car payment and maintenance costs of $2,500. Thus, the total added value is $8,232. From an annual value-added perspective, the two offers are fairly comparable ($11,540 for Nashville; $8,232 for Syracuse). However, Syracuse offers a one-time $5,000 signing bonus.

Ultimately, this decision may come down to the defined annuity plan, growth opportunity, area of interest and safety climate. Syracuse offers more growth opportunity in safety and operates in a high-demand industry. Nashville offers less growth opportunity, is in a struggling industry and has a poor safety culture. Many other intangibles could affect the decision in any offer as well.

Salary Negotiation

Once one decides which offer to accept, it is time to negotiate salary. The two critical points about salary negotiations are 1) they do not begin until an offer has been made; and 2) an individual must know his/her worth in the marketplace and be prepared to justify it in the salary discussion.

Before negotiations begin, a candidate should conduct research to benchmark reasonable offers, identify a realistic salary package, and solicit guidance from safety professionals, mentors, a university's office of career services or former professors. Tools such as www.salary.com and www.payscale.com/salary-calculator also provide profession- and experience-specific maximum/minimum salary and benefit package information for particular geographic areas.

How do negotiations begin? First, listen carefully to the offer. If whomever presents the salary offer says something like, "This is the bottom-line offer we can give you," there may be little wiggle room. It is a take-it-or-leave-it situation and a decision must be made on that amount. However, if the offer is presented as, "How does X amount sound to you?" it is time to decide whether one has the skill and confidence to ask for more. Negotiating salary takes courage, particularly at a young age, but when well prepared the process can go well. A candidate only gets one shot at a starting salary and it can affect salary over one's lifetime. This is particularly true for women, who earn $0.77 for every $1 a man earns (Graffe, 2005). It has been estimated that $1 million can be lost during the course of a woman's career by not negotiating (Houle, 2011).

If the amount offered is acceptable, should a candidate ask for more? Certainly. In such cases, the candidate should consider what distinguishes him/her as an applicant from others.

- Could previous work experience, training or community leadership skills be an asset to the company?
- Does the skill set extend beyond the job description (e.g., experience with security, quality, engineering, managing)?
- Could bilingual skills benefit the organization?
- Are certification, an associate's degree or double major valuable?

This self-assessment can help a candidate showcase attributes and help the employer realize it is making a better investment.

Conclusion

A job candidate must understand the entire job offer, assess whether it meets personal needs and make the ultimate decision to accept or reject the offer. A candidate should ask for all details of the offer in writing and properly compare multiple offers. A candidate must avoid selecting one job over another based solely on salary. When analyzing specific components of an offer, the candidate must analyze the entire offer, ask the right questions and select the offer that offers the best fit for that person. **PS**

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Table 6
Additional Factors, Fringe Benefits & Intangibles Worksheet

		Syracuse, NY		Nashville, TN	
1	Retirement				
	Pension	No company-sponsored pension		Yes, defined benefit plan (e.g. an annuity)	√
	401k	Yes, match up to 6% = $3,480 added value	√	Yes, match up to 3% = $1,650 added value	√
2	Exempt vs Nonexempt	Exempt, opportunity for comp time	√	Exempt, on call 24/7	
3	Signing bonus	$5,000 (no early resignation penalty)	√	N/A	
4	Travel	Overnight stays are anticipated 25% of the time; reimbursement is per diem		Overnight stays are anticipated 10% of the time; employee is reimbursed upon filling out expense report	√
5	Professional development	Not clearly defined		$7,000 per year	√
6	[a]Weekly commute	Commute 40 miles per day with personal car that gets 25 mpg. Avg. cost of gas in Syracuse, NY = $3.58. Annual fuel cost: $1,400. Cost of car payment and maintenance: $2,500		Commute 10 miles per day (total), using company paid vehcile that gets 25 mpg. Annual fuel cost: $0.00 Avg. cost of gas in Nashvill, TN = $3.08 Approx. added value (gas): ~$300. Approx. added value (no car payment or maintenance): $2,500	√
7	[b]Tuition reimbursement	No early resignation penalty; added value $30,000	√	Early resignation penalty; added value $32,000	√
8	Vacation	2 weeks initially, 2 outages (production shut down), 7 personal days	√	3 weeks initially, 7 personal days	
9	Safety climate	No evidence for concern	√	There is evidence for concern via company blogs and recent injury rates at this company	
10	Reporting structure	Report to an operations manager who reports to the general manager		You report to an EHS manager who reports to a general manager	√
11	Closeness to family	Not close to home (900 miles)	?	Close to home (15 miles)	?

Note. *[a]On average, one will spend 23.6% less on residential utilities in Nashville, TN, as compared to Syracuse, NY.*