

## Understanding Your Value

You must be prepared to answer compensation-related questions before you start interviewing. Unfortunately, these are not always easy questions to answer. By gathering information from the sources listed below, you should be able to come up with a salary range and compensation package needs and wants to use if these questions are brought up during an interview, during negotiation process, or when requesting a raise.

### Current Compensation

One of the primary factors that will gauge your value to your next employer is your current compensation. Figure out the total monetary value of your current compensation and benefits, and of any payments you will lose by leaving your employer (such as this year's bonuses). Then, consider how this differs from the compensation increase you want or need. You'll also want to consider which benefits and perks (medical insurance, dental coverage, etc.) are necessary or desired.

### New Role Responsibilities

If your role is a step up, rather than a lateral move, you will have higher value to the hiring organization. Will you have more responsibility? Will you manage a larger team? Will you have P&L responsibility? Consider the added responsibilities and requirements of your new role when creating your target compensation range.

### Industry, Function, and Geographic Area

Your compensation level can be highly impacted by the industry, function, and geographic area you work in. When considering compensation based on your geographic location, you should ask yourself:

- Am I in the top location for my industry?
- What commute am I willing to make?
- Do I want to move to a new location?
- What location is most suitable for my personal/family life?
- Would I prefer to telecommute?

When considering compensation based on your industry and function, your country government might have useful labor statistics related to trends by industry. For example, in the USA, the Bureau of Labor Statistics publishes information on unemployment rates, employment by occupation, salaries, and more. Ask yourself:

- Are executives in my industry and function in high demand?
- Am I in a developing or deteriorating industry?

### Online Resources and Salary Benchmarking Tools

As you research your compensation, you'll find it useful to look into various types of online resources as a way to benchmark your desired range. Some of these include trade or professional associations, executive-level websites, or magazines, several of which publish annual salary surveys. In addition, public filings, such as proxy statements, and sites like Equilar.com, Salary.com, SalaryExpert.com, and Glassdoor.com, will provide compensation data for specific companies, functions, locations, etc.

### Environmental Challenges

The current economic market not only impacts the availability of executive positions, but it also can influence the compensation raise you'll be able to earn. When the job market is crowded, you may have difficulty obtaining a position if your compensation requirements are too high. Other challenges that could impact your compensation include very specific location requirements or a recent reorganization at your company. Both of these scenarios could cause you to have a lower perceived value in comparison to other executives vying for the same position.

### X factors

Are there any unique factors that give you an edge on your competition for the role? If so, these could help bump your salary range up from the employer's perspective. Some of these can include:

- Unique experiences that go beyond what other executives in similar roles may have.
- A well-developed network that could help you perform your job better than others.
- Specialized knowledge or skills that could give the employer a competitive advantage.

## Discussing Compensation During Interviews

As you go through interviews, it can be difficult to avoid the "compensation question." In some geographic areas, it's now considered illegal to ask about compensation in an interview, so take some time to learn about local legislation in your region. Top-notch executive search consultants will often be able to provide you with a salary and compensation package range; but, in some cases, recruiters and hiring executives may use this as a way to screen you out of consideration if your response is lower or higher than the range set by the hiring committee.

If the interviewer insists that you provide your salary requirements, there are a couple of tactics you may choose to use.

1. Turn the question around and find out what the compensation range is meant to be for the position. If the range is much lower than what you were expecting, you may want to take yourself out of the running. Otherwise, let the interviewer know that their quoted compensation range fits what you were expecting and continue with the interview.
2. Provide a broad total compensation or base salary range (based on your research). If this range fits the role, the interviewer should let you know so you can be sure you are both aligned on this issue.

Keep in mind, the hiring company has the main leverage until an offer is given. So try to leave detailed compensation discussions until after the offer is made.

---

This article was provided by BlueSteps. BlueSteps is the executive career management service of the Association of Executive Search Consultants (AESC). Boyden is a member of AESC. AESC's [BlueSteps](#) helps 100,000+ executives manage their careers, track their goals and elevate their visibility to the right search firms. [Get started >](#)

[Click](#) here to view the entire Ultimate Executive Career Guide Series.