

Extending an Offer

The combination of multiple interviews and reference checks should give you enough information to make a hiring decision. Though you will likely want to call a candidate by phone to extend an offer live, you also need to put the offer, with full details, in writing and if he or she accepts it, have the candidate sign and return a copy for your files.



The offer letter should include information about salary and benefits as well as other applicable components of the compensation package, such as review cycles, bonuses, and coverage of relocation costs. In addition, you should include details about whom the person will report to and how job performance will be evaluated.

Extending an offer with enthusiasm is important in setting the tone for your relationship with your top candidate and soon-to-be new hire. You need to let the final candidate know that you want him or her to be part of the team, and that you are excited to be making an offer. The compensation component of the offer needs to reflect any previous conversations you've had on that topic. Offering a candidate a compensation package that is lower than what was previously discussed during the interview process will likely leave the finalist disappointed. Being clear early in the process regarding compensation ranges will help to avoid surprises at this point in the hiring process, will allow you to make your best offer to the candidate, and will help focus your finalist on the responsibilities of the job and the overall opportunity.

The Offer Letter Template featured on the next page can help get you started.

Offer Letter Template

Date

Name of Candidate

Candidate Address

Dear Candidate:

1. Congratulations and offer extension:

- We are delighted to extend an offer to you for the INSERT POSITION NAME at INSERT ORGANIZATION NAME. You will be reporting to INSERT NAME the INSERT TITLE and will be starting on INSERT START DATE. For your reference, a copy of the job description is enclosed.

2. Salary and benefits information:

- Salary and terms of payment (e.g., weekly, monthly). To avoid creating an implied guarantee of salary for a year, state the weekly or monthly salary first, and then include the yearly amount, but be sure to add “if annualized ” (e.g., \$5,000 monthly, \$60,000 if annualized).
- Benefits (medical, dental, retirement plans, vacation, etc.).
- Other, if applicable (e.g., relocation expenses, commuting expenses, severance package, other position-specific benefits).

3. Job performance evaluation:

- Frequency of performance review and the person or party who will be reviewing the position (for example, the Board of Directors will review the Executive Director).

4. Nature of employment (i.e., at-will, contract)

5. I-9 requirements, including documentation that must be provided within the first three days of work

6. If employment is contingent upon successful completion of a background check, or drug test, or reference check, etc., include that information. Be sure to state that the offer of employment is contingent upon the completion of whatever is required.

7. Closing and signatures:

- Both the organization representative and the candidate should sign and date two copies of the letter.
- Provide instructions to the candidate on how to return the organization's copy (mail or fax) and by when.

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