

Careers: Fearless pay rise negotiation

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Are you getting paid what you are worth? If not, why not, asks Mark Farrell

“The only thing we have to fear is fear itself” - Franklin D. Roosevelt

There is no getting around the fact that salary negotiation is a difficult process to go through. Many a confident employee has been reduced to a shivering wreck when faced with the task of confronting the ‘boss’ and justifying why they should be getting greater rewards for the work they are performing.

Thankfully there are, however, some very constructive ways in which the process can be approached, helping to alleviate the stress and frustration as well as increasing your chances of getting your manager to happily hand over the gold.

Failing to plan is planning to fail

Just like a good boy scout you need to ‘be prepared’ which means getting as much useful information as possible beforehand. Do you know how valued you are to the company, how replaceable you are, the company’s current staff recruitment goals, the available budget for pay rises?

What is the current market rate for someone with your level of expertise and experience? Speaking to colleagues (warning: tread carefully!), contacts or a knowledgeable recruiter is a good start. Obviously the internet is another good source of information – particularly any salary survey data you can find.

Take a step back, think about and recognise the key areas where you have added greater value since your last pay rise. Are you now much more competent and efficient? Have your technical, modelling, managerial or organisational skills improved? Have you successfully taken on any extra work and responsibility? Bringing specific examples to the discussion is vital.

If you are able to show that your improved performance directly or indirectly increased your employer’s bottom line then it will be much easier to justify asking for a greater share of the spoils. It’s also a good idea to ensure you are clear on the organisation’s method of awarding salary increases. Are there particular skills and knowledge you must possess before you are ready to be promoted?

Choose your moment

You are unlikely to be in a strong negotiating position if you have recently just had a raise, or it is two days before the Christmas break and your employer has just laid off half of its workforce! On the other hand, if you have recently successfully completed a major project, your worth will be fresh in the boss’s mind. Equally, be aware that if you are

changing roles within your company, then your negotiation power is at its best when you have been offered the new position, but not yet accepted.

Look elsewhere

Finally, if you have done all of the above and still feel you are not achieving your desired remuneration, it may be that your employer has simply reached the limit of the value they can place on your role. You may have great potential value, but if you are unable to utilise this capability in your current role then remuneration levels will obviously be restricted. Does an actuary who makes the tea deserve an actuary's salary? If this is the case then it's time to look for a new role either within your company or externally.

Go for it

If you genuinely feel that you deserve a pay rise and you have your facts right then really there shouldn't be anything to fear in attempting to negotiate your package. Assuming you present a strong case, with clear examples, the worst you will do is increase your chances of getting a favourable review at your next appraisal.

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