

Organizational Behavior Toolbox: 7 Steps to Negotiating a Higher Salary

by James R Thompson, Founder at Concentric Global

Let's start off first with a simple question. *Should* you negotiate your salary? Now let's throw in a little twist. Should you negotiate your salary *in the midst of a global recession and pandemic*? Answers: Probably and probably.

According to a CareerBuilder.com survey, 58% of hiring managers say they leave some negotiating room when extending initial job offers. The survey also found that many of the hiring managers agree to a candidate's request for a higher salary. (Bauer 2017) "Negotiating can earn or save you more money in less time than just about any other method." writes Jayson DeMers, Founder and CEO, AudienceBloom. (DeMers 2015) Tough economic times must be met with additional diligence with regard to research and strategy. Regardless, there may still be money left on the table that could be yours if approached the right way. Addressing the sluggish economy while illustrating what you can do to help the company through tough times suddenly becomes a major asset worth extra pay. (Salary 2020) Here are 7 steps built around adaptations by Bauer & Erdogan (Bauer 2017) for negotiating a higher salary during these trying times.

Step 1: Overcome your fear.

Realize that asking for what you deserve is not personal nor is it selfish. Take a deep breath, relax, and visualize receiving what could have been yours all along. Asking for what you deserve is not selfish. Once you've done your homework, consider your negotiations of higher compensation as if you were trying to close a deal on that next vehicle you've had your eye on. Nothing personal. A vehicle is only worth what someone is willing to pay for it. Same goes for your compensation.

Step 2: Get the facts.

Before entering into negotiations, gather relevant facts about your position, compensation in your industry and salary data for the area in which you live or work. How does your current salary (or new job offer package) compare to others? There are several resources online that will enable you to get a good sense of your market value. Sites such as salary.com, payscale.com and salaryexpert.com will give you a good idea of what is reasonable. Using online tools and trade publications such as member surveys and salary calculators to align your expectations with the market is a great way to build confidence for a successful negotiation.

A study from Carnegie-Mellon looked at students who were getting their first job post master's degree. The study found that only 7% of the women negotiated their offer, while men negotiated 57% of the time (CNN, 2003). People who routinely negotiate salary increases will earn over \$1 million more by retirement than people who accept an initial offer every time without asking for more (Babcock & Lascheve, 2003). (Bauer 2017)

Step 3: Build your case.

Your boss may be delighted with your performance, but at the same time is focused on managing lots of other people or running her business. Don't be fooled into thinking that your boss has your salary on the top of her mind. If you seem satisfied with your current compensation, there's little reason for your boss to think about paying you more. Build your case by focusing on aspects of your contribution to the organization that your boss values the most. What additional projects set you apart? How has your work made your boss and/or the end customer more successful? If you were the owner of the business would you see the value in the work that makes additional compensation a no-brainer? Are you digging in your heels during these trying times and expanding your value? If so, make sure decision makers see it too.

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“Don't base any of your calculations on your old salary. Instead, look at your objective value to the company and the evidence you uncovered in your research. In fact, don't even mention your old salary in the [meeting].” writes DeMers.

Step 4: Know what you want.

Know your *Must Have's* versus your *Nice to Have's*. Try to take a step back and view your position objectively. Consider alternative forms of compensation in case your boss is unable to increase your base salary in the short-term. Perhaps there is room for additional vacation time, educational reimbursement, or compensation for deliverables on special projects. Get creative by thinking beyond your base salary. Be mindful of what's really important to you in the job, beyond just money, and don't be afraid to negotiate for it. (DeMers 2015) Think of your compensation package like various colored blocks of Legos. If your boss is only willing to give you three additional “green blocks” (i.e. \$3,000 base pay raise) but you are shooting for five additional blocks, perhaps two “yellow blocks” (i.e. \$2,000 in tuition reimbursement or retirement savings contributions) gets you to a win-win.

Step 5: Begin assertively.

Start the discussion on a confident yet friendly tone. “My research and past work performances shows that I'm worth more than I'm currently being compensated.” List the ways you've contributed to the company. (Bauer 2017) Make sure you highlight the increased value of your contributions during trying times as well as how your work can lead to a stronger organization on the upside of the down swing. Maintain a confident position and body language, but don't slip from assertive to aggressive. The more planning and research you do, the more your case is perceived as fair and reasonable. Leave any emotional distractions out of the conversation.

While being assertive, be confident in your worth while considering what your next best likely alternative might be. Be ready to respond to comments like “...yeah but no one is hiring right now under these current market conditions.” If there are other opportunities, point out these facts. But do so in an unthreatening manner. Perceived threats could sidetrack the entire negotiations process, so remember... be assertive NOT aggressive.

Step 6: Don't make the first offer.

Let your boss make the first move. As long as the scope of the meeting is clear, sit back and wait. In my auditing classes I often call this the “Waiting for them to hand you the bullets you can shoot them with” phase (jokingly of course). If you're forced to make the first move, ask an open-ended but direct question in order to prompt a response. Ask questions to elicit a response that yields as much information as possible such as “What types of compensation decisions are you able to approve?” or “Can you give me an example of a win-win pertaining to a compensation review you've had in the past?”. This method of questioning can provide you with a valuable leg up within the first few minutes of the meeting while also establishing trust. Besides... the initial offer from your boss may be a better offer than you had in mind anyway. It has happened to me on several occasions. Think positively!

Step 7: Listen more than talk.

The more you listen, the better the boss will feel about you and the negotiation you are in. People tend to trust those that listen to them. Be comfortable with silence. After you have made an offer, allow your boss to respond fully without being interrupted. It is easy to become uncomfortable with silence. It is hard to resist filling the silence by saying something. Make a proposal or ask a question, then wait patiently and listen. (Bauer 2017) Less is more.

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Ask about the process for negotiating a higher salary and how he/she has managed their own successful negotiations in the past. There is great power in getting your boss on the same side of the table as you; both minds looking at solving the same equation for a win-win.

If you are unsuccessful at getting what you had planned for, don't give up. Ask your boss to agree to a raise in a few months if measurable, written objectives are attained by a set date. Regardless of the outcome, pay your respects for the time allotted and establish a follow-up date in order to continue moving forward. Now go out there and get what you deserve!

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About the Author: James R. Thompson is a Certified Master Management Consultant and Certified Quality Lead Auditor specializing in organizational excellence and project management. James is also the Founder and Principal Consultant at Concentric Global in Charleston, SC. His projects include instructing, advising, and implementing lean management systems globally using his [12-Tool Management System Architecture](#) model primarily in advanced technologies such as the automotive, aerospace and healthcare industries. 11,000+ students, 1100+ leaders and 450+ organizations served. Connect on

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