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How to Negotiate a Win-Win Salary

by Tim Pearson

Ever wonder how to negotiate your salary? Here are ten pointers for achieving a win – win result:

1. Find out what you are worth

Salary mistakes are compound mistakes. Raises are usually a percentage of your base salary. Underestimating your value costs you income not only for this year, but also for the future. Do the research to determine your worth. No salary surveys available? Talk to experienced professionals in the field. Ask for ranges: minimum - maximum.

2. Stay focused on the value you deliver

The formula according to compensation consultants: Market Value + Your Individual Value + Risk Value = Total Compensation. Market Value = average for everyone as researched. Your Individual Value = what you uniquely bring to the job. Risk Value = what you are willing to put at risk and say that you will uniquely deliver. Risk Value is where you can shine. What problems can you solve for them? What key results can you make happen? Don't forget the downstream value of your accomplishments in the future.

3. The employer goes first in negotiations

It is the employer's job to make a business deal with you that saves them money. It is your job to convince them to pay you for your value. Avoid being screened out based on salary. Delay the salary conversation as late in the interviewing (session #2 or #3) as possible so as to learn and to make the case for your value to them.

4. How to put off salary questions until you are ready

Your written response when asked for salary history: "I would like to be paid fairly in relation to the job market for this type of work in your area." Past salary has no bearing on fit for this position. Key: what can you do for them today?

Your verbal responses when pressed (according to Jack Chapman, author of Negotiating Your Salary: How to Make \$1,000 a Minute, 1996):

--"I'd like to put off salary discussions until I'm sure that I'm right for the job."

--"I want a fair salary for my responsibilities. Let's first talk about how I can help."

--"Is your concern that you can't afford me? Let's discuss what I can do for you. Then later let's talk about compensation."

--If pressed again: "I see we're back to salary again. I'm happy to talk about money and even disclose my salary history at some time if it's important, but could we talk now about why it's important to talk about salary now?"

5. Handling their offer

In some countries a pause can be a good tactic. In others it can be a test of wills. When their offer is too low: "My research indicates that the range for people with my qualifications is x to y. What can you do in that range?"

Too high (nice, but what do you do?): negotiate benefits. Then ask for time to confirm the match (1 to 3 days). Use the time to determine if you can handle the position and why they are being so generous.

6. Perks and benefits

These may provide opportunity for negotiation: Insurance, personal leave (rate of accrual), professional training/development, professional memberships, moving expenses, business cell phone.

7. Employment agreement

Get the offer in writing, with benefits in writing. Clarify: Duration of agreement. Duties.

Termination: ask for "for cause". Non-compete: try to limit this to direct competition.

Confidentiality: eliminate or limit to intentional and harmful to company. Compensation: ask for annual reviews if they are not specified.

8. Resources

www.jobstar.org -- 300+ U.S. salary surveys online.

9. Again, your most important focus: the value of your contribution to the organization

10. Track your value by project and accomplishment

Getting hired is just the beginning. Lay the groundwork for your next performance review and future promotions by delivering and tracking the value of your contribution. Remember, it's all about value, value, value.

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