



## **Negotiate your salary, 10 tips to make a better job of it.**

If you are like many of our participants, you'll probably agree that your worst negotiating nightmare is not managing a commercial deal, but negotiating your own salary! Want to know why? We've canvassed the Scotwork Australia team to explore common traps in salary negotiations and to suggest some practical steps to help you get a better deal in your next performance and pay review.

### **1. Be professional in preparation**

Your preparation for a performance or pay review should be as professional and thorough as it would be for a commercial deal. You would never be unprepared when negotiating a commercial deal, so why would you take that risk with your own salary? Common pitfalls include not properly scoping your negotiating power, failing to document and properly value your contributions, and approaching the deal pessimistically rather than optimistically. Avoid these mistakes by doing your homework! Research the market for your skill set and create a file of similar or related positions advertised in the classifieds and online, so you are aware of what's on offer. Remember that negotiating skills do not change fundamental market forces, but are used to get the best available deal in those markets.

### **2. Be clear about what you want**

Be optimistic, but realistic. Care is needed here – we don't want to encourage you into any "career limiting moves"! A comprehensive, creative yet realistic wish list will enable you to sweeten the deal, get what you want and provide repackaging opportunities. Think back to the course. Do you remember our strategies for using the wish list? Trade on value rather than cost – what is that Scandinavian study tour worth to you in terms of career advancement?

### **3. Beware: you may have a fool as a client**

You are representing yourself, so the emotional stakes are high, which can often have a dramatic impact on your negotiating skills. Try to remain emotionally detached or investigate using an agent to negotiate on your behalf. If you can't afford an agent, or it is inappropriate to engage one, act as any professional agent would: become an expert in yourself. There is no substitute for hard research on the job market, the role and your (current or prospective) employer. However, you also need to accurately document your skills, achievements and potential contribution to the enterprise and clearly communicate these to your boss or your prospective employer. What skills and expertise do you bring to the table?

### **4. Blow your own trumpet...**

...because nobody else will. While the meek may inherit the earth, they will have to do it on award conditions. There is a natural tendency to be modest about our achievements. This is terrific in an acceptance speech, but has no place in salary or performance negotiations. You are here because the organisation has recognised that you will make a contribution to its success. To that end, be prepared to negotiate remuneration and conditions that reflect the value of your skills in the marketplace and the potential contribution you can make to the business. One final piece of advice on blowing your own trumpet: play a song you know well. Avoid the temptation to over-promise and under-deliver!

#### 5. Recognise your power – and its limits

Timing is critical. Never negotiate the terms of your contract after you have accepted a position or agreed to revised conditions, responsibilities and opportunities. Always negotiate before you step across the line. After the handshake, your power and influence are considerably diminished.

#### 6. Know the rules

It is essential that you understand the organisation's system for salary reviews. What are the constraints imposed on your manager? Are there financial limitations? What attributes of success are you being measured against? Is there a gap between your performance and skill set and those required to reach the next salary range? How can you close this gap? How does the company measure your manager's success, and how does your performance affect his/her result? Answer each of these questions long before you negotiate your contract. It is essential that you understand the organisation's system and its constraints. In short: know the rules of the game!

#### 7. This is not a one-off event

You should never perceive your salary review as an isolated event. It is part of a comprehensive process to assess your contribution and performance within the review period. Keep notes on your performance throughout the period and ensure your manager is aware of the wins you have had. See the review as your opportunity to highlight significant contributions you have made and address your future development needs. Evidence of your contributions gives you the basis to negotiate and make your case for a better deal.

#### 8. Show me the money!

While recognition often takes the form of position titles and pay cheques, these are not the only potential currencies of the negotiation. Don't forget that a part of what the organisation giveth in cash, the tax man taketh away. Use the negotiation to explore more creative currencies. These might include development opportunities, including short-term assignments, leading (or participating in) new projects, relocation to another part of the organisation, coaching and mentoring

opportunities, secondments, study leave, flexible working arrangements, or that BlackBerry or laptop you've been eyeing. Your wish list must be long and creative; it should add to your career opportunities – and contribute to your quality of life – both inside and outside the organisation.

9. Where do you see yourself in five years?

Your salary review is an opportunity to discuss your career path and the plans your manager has for your next step within the organisation, taking into account your own plans and vision for the future. Use the opportunity to structure your manager's expectations of your own career plans. Make it your negotiation. Understand the power and value you bring to the table and what is at stake. Remember to manage the issues and spend time discussing what's most important to you, which is probably your future career and not just next week's pay cheque.

10. Finally...

Take another look at the course notes in your Scotwork organiser. Consider these with your performance appraisal in mind. This will assist you in reviewing the preparation agenda, structuring expectations, analysing the power balance, preparing questions and implementing the suggestions above.

Good luck, and remember: fortune favours the brave (and the well prepared).

by  
Keith Stacey, Mark Spatz & Matt Lohmeyer