

## Negotiate Your Salary in a Down Economy



In today's economy, the percentage of employees across all industries who will receive a raise is down...way down.

You're probably working harder than ever to hang onto your job and receiving less financial payback than you should. As friends and colleagues continue to get laid off or struggle with unemployment, you don't feel justified in "pushing it" to demand the pay increase you know you deserve. You feel lucky to even have a job. You're afraid to rock the status quo and risk being rejected, demoted, or worse, fired.

Joel Garfinkle, acclaimed career coach and author of *Land Your Dream Job* and four other impactful career guidance books insists that now is a better time than any to ask for your well-deserved raise.

Read on to learn why it's necessary to negotiate a salary increase in a down economy and how to go about doing it successfully.

### **Why ask now?**

Your fear isn't rational

"Never in my 13 years of being a career coach, has anyone ever been fired for asking for a raise," says Garfinkle.

In this economy, it's difficult to predict if your boss will be financially able to grant you more pay. But Garfinkle asserts he can guarantee your boss is going to have more respect

for you if you spend the time to ask for a raise. It's this respect that's going to differentiate you from your colleagues when it's time for lay-offs and promotions. Asking for a raise is a crucial strategy to solidify your importance to your company and retain your job. That's right, you're actually less likely to be fired if you ask for a raise. How's that for ammunition?

### **The art of asking**

In a down economy, it's very important to remember that your boss is under more stress now than ever. Address this by entering the salary discussion with a phrase like, "I realize the company is financially strapped more than in years past, but there are a lot of things I've achieved to increase our profitability. I'd like us to take a second look at my compensation together."

### **Confidence**

No matter where, how or when you negotiate for your raise, the most important thing to have in your arsenal is confidence. Drum it up by doing ample prep work before entering the salary conversation. Garfinkle recommends creating a list of fact-based, quantifiable data to illustrate your accomplishments. Make sure you state the financial impact each item had on the company. Here are the things to include:

1. Goals met
2. Responsibilities filled
3. Projects completed successfully
4. Problems solved
5. Experience gained
6. Expectations exceeded
7. Positive feedback and praise from colleagues and clients
8. Innovative ideas
9. Successes of your group or department

If compiling your dollars-and-cents argument hasn't helped with complete confidence, consider these additional strategies from Garfinkle:

Know your monetary value. Human Resources departments agree that it costs them one and a half times your salary to hire a new person due to training costs. The dollar amount you're asking for is minor in comparison to that – not to mention the hassle your superiors would face in finding someone new.

Envision your "impossible" number. One of Garfinkle's greatest strategies for gathering confidence is to have a salary number in mind you feel you could never ask for. Structure your argument with the hard data you would need to make a case for that "impossible" amount.

Avoid emotions. Stick with numbers. Ego-driven or emotional arguments such as "My staff really responds to my leadership." or "I deserve the raise." are easy to refute. Facts like "I increased sales by a \$3,000 dollars." or "Under my leadership, employee turnover rate was reduced 25 percent." are much harder to turn down.

## **When to start negotiating**

It depends on the circumstances, but it's customary to ask for a raise every 12 to 18 months. If you received a raise that's too low, it's fine to ask your boss if you can have another discussion in 4 to 6 months.

So how do you know if your salary compares to that of your industry peers? Garfinkle recommends the calculation tools on the following web sites to assess how your pay measures up: Jobnob.com, SalaryExpert.com, and the [“Pay and Benefits” tab on the Bureau of Labor Statistics web site](#). When you know you're not making as much as others who hold comparable positions, you can be more aggressive in asking for a raise.

Garfinkle asserts the best times to approach your boss are after you've completed a huge win for the company or at any time when you know that your boss is feeling good about you. Choose the least stressful time of the week for your boss: whether it's Wednesday afternoon or after she's met a huge deadline. If it's appropriate in your office culture, ask your boss to meet you for coffee so you can discuss what you've done for the company in a low-commitment environment outside of the office.

## **What to expect**

When you're going in to ask for a raise, you need to be prepared for rejection. Garfinkle coaches his clients to expect rejection, so that they are ready with their retort.

Get ready for phrases like “We can't afford it” or “No one else has gotten a raise, so why should you?”

## **“No” is a green light**

Take an initial rejection as an invitation to pursue different avenues of negotiation. When your boss throws out her defensive “no” phrase, restate the positive points you made about yourself earlier and then calmly and compassionately ask if other perks are feasible. Extra health benefits, tuition reimbursement, work-from-home days and professional group or gym memberships are great ways for your employer to compensate you if they can't afford to give you a raise. The money you save with extra employee benefits may seem like small potatoes compared with the raise you were gunning for, but the dollars saved will add up at the end of the year.

If you walk away with no additional compensation, make sure you set up a re-evaluation meeting in six months. Ask your boss what tangible things you can do between now and then to get a raise. Then do them.

Now that you've got the guidelines, asking for a raise may still seem daunting. Get started anyway! Check out the salary calculators. Envision that impossible number, and get cracking on the reasons your company should increase your pay. The bottom line is: no one's going to give you the money you deserve, unless you ask for it and explain why you deserve it!