

Top 10 Tips for Salary Negotiations by Michael Chaffers

Negotiating a better salary package has put more than a few stomachs in knots over the years. Remember, we all go through it sooner or later. Keep these 10 basic tips in mind when it's your turn to ask for a sweeter deal.

1. Be Persuasive

It's hard to force your boss to increase your compensation, and trying to do so can potentially damage your working relationship. Think about the process as trying to convince him that it might benefit the organization to pay you more.

2. Aim High, and Be Realistic

Many researchers have found a strong correlation between people's aspirations and the results they achieve in negotiation. At the same time, you want to suggest ideas to which your boss can realistically say yes.

3. Start Off with the Right Tone

You want to let your boss know you will listen and try to understand his views. At the same time, you expect your boss to do the same for you so you can work together to address this issue. Avoid ultimatums, threats and other coercive behavior.

4. Clarify Your Interests

Your compensation should satisfy a range of needs, not just salary. Make sure you have thought about other points of value to you as well -- like profit sharing, stock options that vest immediately, a bonus, greater work responsibilities, a quicker promotion schedule, increased vacation or flexible hours.

5. Anticipate Your Boss's Interests

Just like you, your boss has needs and concerns. To persuade him to say yes, your ideas will have to address those things that are important to him.

6. Create Several Options

Joint brainstorming is the most effective way to find ideas that satisfy everyone's interests. It works best when you separate it from commitment -- first create possible solutions, and then decide among them.

7. Focus on Objective Criteria

It is far easier to persuade someone to agree with your proposal if he sees how that proposal is firmly grounded on objective criteria, such as what similar firms pay people of like experience or what others in the company make.

8. Think Through Your Alternatives

In case you cannot persuade your boss to say yes, you need to have a backup plan. Part of preparation is creating a specific action plan so you know what you'll do if you have to walk away from the table.

9. Prepare Thoughtfully to Achieve Your Goals

This is the only aspect of your negotiations you can completely control. To take advantage of all of the above advice, you have to invest a significant amount of your time and energy.

10. Review to Learn

The only way you can really improve your ability to negotiate is to explicitly learn from your experiences. After you finish negotiations, reflect on what you did that worked well and what you might want to do differently next time.