

Ensuring your worth - five tips to negotiate a better salary

By [Pieter van Zyl](#)

6 Dec 2012

Landing a job in today's competitive market is by no means an easy feat. With the economy still sluggish and many companies still in the process of downscaling, employment offers are not as forthcoming as they once were.

As a result, many job-seekers make the mistake of accepting a position without giving appropriate consideration to the compensation package on offer. Whilst the prospect of employment may seem too good to turn down, the ramifications of finding yourself undervalued in a job can be significant down the line.

Despite today's tough economic conditions, it's vital that you understand your value to your prospective employer - and ensure that you're appropriately compensated for the role you're potentially set to fill.

Employers tend to understand the value of a happy employee and, thus, realise that by reaching a mutually agreeable salary offer, they'll be more likely to retain your services in the long term.

So, before you sign on the dotted line, here are some key pointers to help you negotiate a better salary:

Research your value

Understanding the value of your skills and experience is vital when entering into salary negotiations. Before deciding on a suitable remuneration amount, you'll need to consult as many sources as possible and do your best to ascertain what others with a similar background and skill set are earning.

You'll also need to take into account the nature of your industry, as well as the size and location of the company in order to establish what constitutes a fair package. If a friend is working for a large corporate in a major centre and you've applied for a similar position in a small start-up outside of town, don't expect to be offered the same figure when negotiations commence.

Your value as an employee also increases significantly should you be in high demand elsewhere. This is a point of leverage, but one that shouldn't be overemphasised. Many jobseekers make the mistake of playing companies against each other, only to end up without a job at the end of the day.

Understand the value of leave

Whilst salary is, of course, an important element of any compensation package, it is by no means the only component to consider when taking on a new position.

Leave days can form a critical part of your negotiation strategy, as employers are generally more willing to provide these to you than they are to part with additional company funds.

Based on a 250-day annual work cycle, 15 leave days constitutes 6% of your working year. Whilst 10 additional days off might result in a minimal 2% reduction in the time that you spend at work, the ultimate outcome will be a massive 67% increase in your free time.

Extra leave days can end up being a priceless addition to your compensation package, affording you the opportunity to recuperate more regularly throughout the year and increasing your overall level of job satisfaction.

Establish your priorities

If time off isn't a priority for you, it's important that you ascertain what other elements might end up adding value to your package. If your employer isn't able to meet your specific salary demands, there are a number of other areas in which you can make up for this deficit.

Take into consideration things like stock options, comprehensive medical cover, bonuses and an expedited promotion schedule.

By establishing a clear set of personal priorities you'll be able to go into negotiations with a greater overall understanding of your own flexibility - and be better able to determine where you will or won't be able to compromise on your demands.

Aim high, remain realistic

A number of studies have revealed a strong correlation between prospective employees' aspirations and the results they achieve in negotiation. By aiming high, you not only demonstrate ambition, but also emphasise the fact that you are aware of your own value.

Whilst it's important to let employers know that you aren't willing to settle for an unfair offer, you also need to ensure that your demands are realistic and that they can actually be met.

Don't make the mistake of suggesting a ludicrously generous package on the off chance that your employer may fulfil it. By establishing that you've done your research and carefully worked out your market value, you'll be more likely to reach a desirable outcome.

Don't be afraid to walk away

Ultimately, the only way you're going to ensure that you end up in a job that meets both your salary and lifestyle requirements is by being willing to walk away from an offer if needs be.

Whilst it's obviously important to take into account the urgency of your financial situation, a willingness to concede to whatever offer your prospective employer puts on the table will only ensure that you remain undervalued throughout the course of your tenure at the company.

Once you've set your goals and established the areas in which you're willing to negotiate, it's important to stick to them so as to command the respect and the rewards you deserve.

ABOUT THE AUTHOR

Pieter van Zyl is director of FinFive.

For more, visit: <https://www.bizcommunity.com>