

I WAS BROKE.
NOW I'M NOT.

NEGOTIATE A PAY RAISE

By Joseph Sangl

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I write a lot about how to eliminate expenses and reduce the OUTGO from one's home economy, but there is another side to the equation and that is INCOME. $INCOME - OUTGO = EXACTLY\ ZERO$ works a lot better when the INCOME is increased!

This eBook is focused on one key way that INCOME can be increased and that is to **negotiate a pay raise**. In each part, I will be sharing how I have successfully negotiated pay raises in the past. Here's to this eBook helping you do the same.

FOR

PART ONE:

I want you to ask yourself this question:
"Am I effective at what I do?"

My hero, Dave Ramsey, has often said that "your raise is effective when you are." It can not be said any better than that!

If you are not effective at what you do, it is very difficult to negotiate a pay increase.

Now ask yourself this question: "What are the top five skills, activities, abilities, and capabilities that I possess that most benefit my organization?" Once you've thought through those two questions (preferably on paper) you will be ready for **Part Two**.

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PART TWO: Do Your Homework

The key to any successful pay raise negotiation (or any negotiation for that matter) is to have completed your homework. Information is absolutely powerful.

- Research comparable positions in the area to see what they pay (Salary.com is great, Monster.com is OK).
- Understand the demand for your skill set, education, abilities, and capabilities. Job boards, online classifications, newspaper listings, and recruiters are good places to start. If you work for a larger company, be sure to check out your company's job postings and the pay scales.
- It might make sense to go on a couple of job interviews just to understand what education and skills are being sought by employers.
- Identify specific projects and activities that you have led or participated in that resulted in substantial benefits for your organization. Objective and measurable results speak much louder than subjective "kind-of sort-of possibly vague stuff." If you work for a for-profit company, show how your efforts have led to cost savings, improved sales, improved productivity, and profits. If you work for a non-profit organization, focus on how your efforts have furthered the organization's mission/vision/goals.
- Identify the upcoming projects and activities that you will be leading or participating in that will result in substantial benefits for your organization.

For me, it has always been extremely helpful to write my thoughts down over a one or two week period. This ensures that I have been able to effectively think through the above items and organize the data into useful information for **Part Three**.

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PART THREE: Make the Ask

After you've done your homework, it is time to ask for the pay raise. Before I review that part, I want to share with you a couple of things to think about.

If you have ever ridden on a jet, chances are you have picked up the airline's magazine and seen the advertisement from Dr. Chester Karrass for negotiating seminars. There is a brilliant statement that stands out to me every time I see that ad.

His statement? **"You don't get what you deserve. You get what you negotiate."**

Ponder on that for a moment.

It is important to understand that many things are negotiable including pay, benefits, time off, work location, and work hours.

As you prepare to ask for the raise, be sure to decide on what you will ask for.

Remember, this is a negotiation. Negotiating means that there will be give and take.

So now that you have done all your homework and decided what you are going to ask for, it is time to take a deep breath and have the conversation with your manager. Each time I have had this discussion, it has been a side discussion and not a planned meeting.

Keep in mind the following items as you ask for the raise:

- Present your case clearly and succinctly. I presented my case in less than three minutes every time.
- Be clear with your requests.
- Do not make threats such as "Give me a raise, or I am leaving for the competitor."
- You can make statements (if they are true) such as, "This request is very competitive with the marketplace." A manager will quickly understand that you have done your homework.
- Your manager will probably not be able to give a raise immediately and will have to discuss with his/her supervisor. This will take a little time.
- After you have made your case, SHUT UP! You have said what you needed to say. Let there be silence. Silence is golden.
- When the meeting is ending, ask when you can expect to receive a response.
- Thank them for considering your request.

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When the meeting is completed, take thirty minutes to write down everything that was discussed in the meeting. This will allow you to review what just happened and can be helpful later when trying to recall exactly what was talked about.

PART FOUR: Receive the Response

There will be a response. It may not be what you expected. It may be way more than you expected (it happens), or it could be way less than you expected (this happens too). Either way, there will be a response.

The best way to respond? Silence.

This is a negotiation. Silence makes people uncomfortable. If a manager knows that their response is less than reasonable, silence will allow them to rethink their position. Many times, the manager has been provided some leeway in this discussion, and they have been authorized to adjust the numbers some to ensure an adequate and final response is obtained.

Silence has been my friend twice. Both times, it resulted in a substantial increase beyond the initial offer.

Once the offer has been extended and appropriate silence has occurred, thank them and tell them that you will need twenty-four hours to review the offer (if it makes sense).



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PART FIVE: Negotiation

Once I received a response from a manager, I took time to compare it to what I requested. If it was everything I asked for (it never was), I obviously would have accepted it. Since my offers were not exactly what I requested, I prepared for a negotiation.

As I entered the negotiation, I knew the following things:

- Which items were the most important to me and which ones I was OK with leaving alone.
- Exactly what I was willing to settle for
- The silent time was over—I was going to leave the meeting with an answer.

Negotiations are tricky. Each one has been different for me. I have tried the compromise path. I have tried the “I’m sticking to my guns” and “I refuse to budge” path. The bottom line is that I knew exactly what was needed to call this a successful negotiation for me.

What I do know is that because I did my homework, I was in a strong position to negotiate and that resulted in a successful pay raise each time. One of them was immediate and another took six months to be implemented. Both were worth it.



**I WAS BROKE.
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ABOUT I WAS BROKE. NOW I'M NOT.

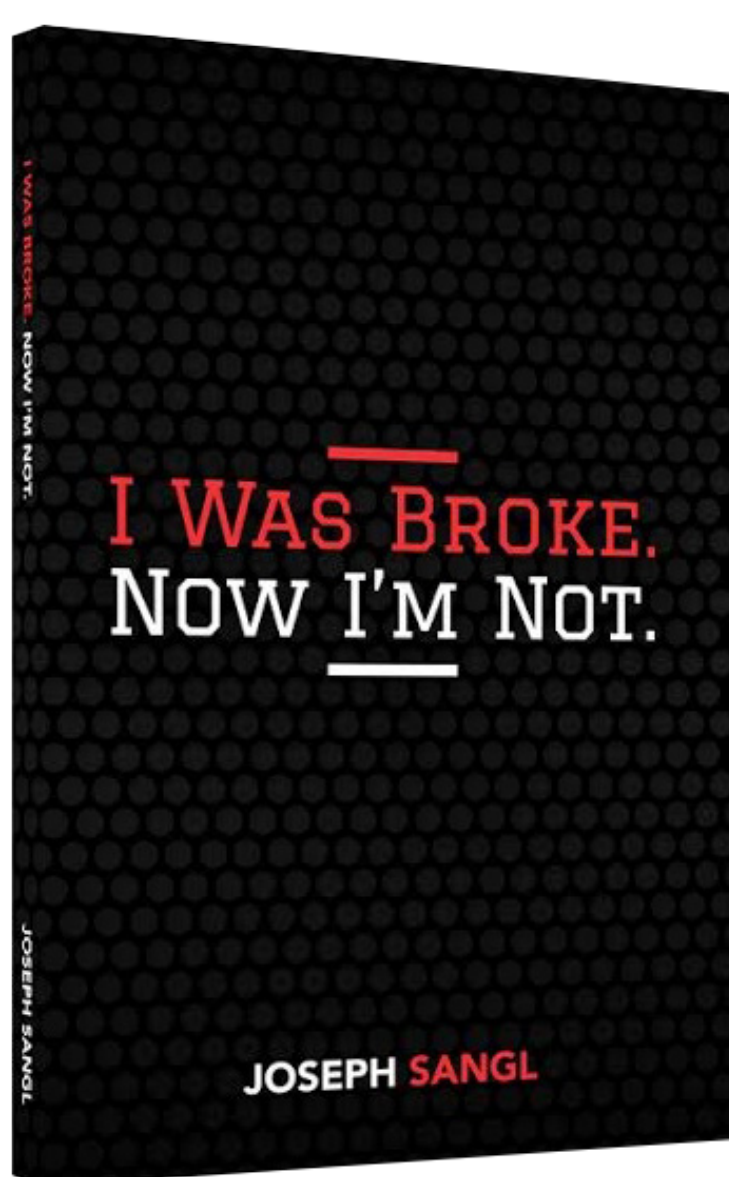
I Was Broke. Now I'm Not. was founded by Joseph Sangl who had a dream to teach people practical ways to win with their money. The IWBNI Team is passionate about equipping people to accomplish far more than they ever thought possible with their personal finances.

The IWBNI Team accomplishes its Passion Statement through the following means:

- Providing FREE personal finance tools via its website
- Writing books, studies, articles, and blog posts that teach practical and relevant personal finance tools
- Teaching live online experiences that build knowledge on financial topics
- LIVE speaking and teaching at churches, business and non-profit organizations throughout the world

Contact the IWBNI Team via email at info@iwbnin.com or call [864] 332-4151

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Money doesn't have to be a frustrating or confusing topic. When you apply the practical tools shared by Joseph Sangl in I Was Broke. Now I'm Not., you will gain control over your finances. As your financial education increases, you will begin to see your plans, hopes, and dreams become a reality as you start living a fully funded life! In this book, you will learn the fundamental rules of money. Even more importantly, you will walk away with HOPE that you can live a fully funded life!

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This book and additional resources at www.iwbnin.com

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ABOUT JOSEPH SANGL

Joseph Sangl is a leading teacher of personal finances. It is his passion and mission “to help people accomplish far more than they ever thought possible with their personal finances.” He firmly believes that when people are financially free, they are much more likely to go do EXACTLY what they have been put on Earth to do – regardless of the cost or income potential.

He is the founder of I Was Broke. Now I'm Not., an organization that provides financial teaching through live events, print and web resources.

Joe has taught hundreds of thousands of people through Financial Learning Experience, Financial Freedom Experiences, one-on-one financial coaching sessions and personal finance messages. He is the author of the books, I Was Broke. Now I'm Not., What Everyone Should Know About Money Before They Enter The Real World, Funded and Free, and OXEN: The Key to an Abundant Harvest. His story has been featured in Money Magazine, the world's largest personal finance magazine.

He obtained a BS Degree in Mechanical Engineering from Purdue University in 1996 and an MBA from Clemson University in 2001.

Joe resides in Anderson, South Carolina, with his bride, Jenn, and their three children.



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