**salary negotiation tips**

**tips and techniques for salary negotiation for employees, and salary negotiation tips for managers - and tips for job promotions and improving conditions - and**[**targets and bonuses principles**](http://www.businessballs.com/payrise.htm#targets-bonus-schemes)

Salary negotiation (asking for a salary increase, a pay rise, or simply more money) affects everyone from time to time. Salary negotiation can be difficult, and many people handle it poorly, causing frustration and ill-feeling. There are constructive ways to approach salary negotiation, and techniques to achieve good outcomes.

If you are a manager, you will need to handle salary negotiation positively. If you encourage people to adopt a constructive approach to salary negotiation, you will help to minimise upset and to achieve a positive outcome. As a manager dealing with salary negotiation or a pay increase request, it's important to encourage a grown-up, objective, emotionally mature approach. These ideas and techniques will help achieve this whether you are giving or receiving the salary increase request.

There is no 'proper' or standard way to ask for a raise or salary increase. It's not something that people are trained to do, and little is written about it. People use various approaches: they can write; discuss informally; discuss with colleagues and hope the boss gets to hear; they drop hints to test the water; they ask the boss politely; demand firmly; go over the boss's head, or maybe even threaten to resign, secure another job offer, or simply resign.

Largely people do not look before they leap; they are often under pressure, and they feel uncomfortable and stressed asking, so they fail to plan and control the situation, which makes achieving anything difficult. Simple planning and keeping control makes a big difference.

Knowing relative market rates helps objective assessment of situations - for employers and employees. Here is an [example of market information about salaries](http://www.businessballs.com/payrise.htm#salaries_earnings_surveys_market_rates) of the sort that you can find in relevant media (newspapers, magazines and websites, etc). Having a good amount of information about the market, and not just your own situation, is helpful for employers and employees alike, and can avoid discussions centering on opinion or emotion. Of course situations vary and industry averages are just a guide, but it's generally better to have some external perspective than to approach pay and earnings issues in complete isolation.

The techniques here might not secure a salary increase immediately - there are usually very good reasons why this is not possible anyway - but these ideas will eventually bring a better reward and outcome than doing nothing, or doing something the wrong way. As a manager receiving a request for a salary increase, encourage people to follow this approach, and then respond fairly sensitively and openly. Only make promises you can be sure to deliver, and always try to understand the person's needs and feelings before you explain the company's position.

It is important always to recognise the difference between the **value of the role** that you perform (or any employee's role if looking at this from a manager's perspective), and **your value as an individual** (or the employee's value). The two are not the same.

If you continually feel frustrated about your pay levels despite trying all of the techniques and ideas for achieving a pay rise, it could be that your boss or employer has simply reached the limit of the value that they can place on your role, which is different to your value as an individual. You could have a very high potential value, but if your role does not enable you to perform to your fullest extent then your reward level will be suppressed. For example does a professor who sweeps the street deserve a street sweeper's salary or a professor's salary?

Salary levels are largely dictated by market forces (notably the cost of replacing the employee), and the contribution that the employee makes to organisational performance (which is particularly relevant for roles which directly impact on profitability). When you acknowledge this principle you begin to take control of your earnings.

Aside from issues of exploitation and unfairness, if you find that the gap between your expectations and your employer's salary limit is too great to bridge, then look to find or develop a role which commands a higher value, and therefore salary. You can do this either and both with your present employer by agreeing wider responsibilities and opportunities for you to contribute to organisational performance and profit, and/or perhaps with a new employer.

Focus on developing your value to the employer and the market-place, rather than simply trying to achieve higher reward for what you are already doing. Again, see the [earnings survey example report](http://www.businessballs.com/payrise.htm#salaries_earnings_surveys_market_rates) below.

**salary, pay and contract negotiation for a new job**

If you are changing jobs, the best time to negotiate salary is after receiving a job offer, and before you accept it - at the point when the employer clearly wants you for the job, and is keen to have your acceptance of the job offer. Your bargaining power in real terms, and psychologically, is strongest at this point, and is stronger still if you have (or can say that you have) at least one other job offer or option (see the [tips on negotiation](http://www.businessballs.com/negotiation.htm)). A strong stance at this stage is your best chance to provide the recruiting manager the justification to pay you something outside the employer's normal scale. The chances of renegotiating salary after accepting, and certainly starting, the job are remote - once you accept the offer you've effectively made the contract, including salary, and thereafter you are subject to the organization's policies, process and inertia.

A compromise in the event that the employer cannot initially take you on at the rate you need is to agree (in writing) a guaranteed raise, subject to completing a given period of service, say 3 or 6 months. In which case avoid the insertion of 'satisfactory' (describing the period of service) as this can never actually be measured and therefore fails to provide certainty that the raise will be given.

If you are recruiting a person who needs or demands more money or better terms than you can offer, then deal with the matter properly before the candidate accepts the job - changing pay or terms after this is very much more difficult. If you encourage a person to accept pay and terms that are genuinely lower than they deserve, by giving a vague assurance of a review sometime in the future, then you are raising expectations for something that will be very difficult to deliver, and therefore storing up a big problem for the future.

**salary negotiation during and after new job interviews - tips for employees (and managers)**

While these tips and techniques are ostensibly for employees, they also serve as a helpful guide to managers who are recruiting staff, and want to ensure that people joining are doing so happily and on a sustainable basis. People who join happy that they've been given a fair deal are more likely to stay, and less likely to harbour grudges or feelings of being 'bought' for less than they deserve.

Employers who recruit people at less than their market worth might think they've done a good deal, whereas in fact such employees are likely to become frustrated and feel 'cheated'. Again, see the [earnings survey example report](http://www.businessballs.com/payrise.htm#salaries_earnings_surveys_market_rates) below. Help employees to make good, right, and fair decisions about their careers, and they will respect you and your organisation for doing so.

That said, from the employee's viewpoint, changing jobs is a very good opportunity to increase your salary level. Critically, **to take advantage of this opportunity you must negotiate before you accept the new job offer**, whether the job is an internal or external move. Any manager who fails to give this opportunity to a new recruit is likely to be putting a problem into store for the future.

**The most important thing from the employee's perspective is to secure the job offer first.** There is no point in negotiating until then.

The employer's initial offer will be based on their own budget and internal pay-scale reference points, and what level of reward they feel is necessary to secure you (or a suitable alternative candidate), and this salary/package level is nearly always negotiable.

The stronger you convince the interviewer and employer that you are the best person for the job - in all respects that need to appeal to them - then the more likely you are to do well when it comes to negotiating the package.

If the employer asks you before or during the interview to confirm your salary/package expectations, give them a broad indication at the top of the range that has already been indicated or discussed for the role (plus 10-20 per cent for good measure if you wish), and say that **ultimately your decision will be based on comparing your options** (think and behave as if you expect to have more than one).

Tell them 'Let's see if you like me first - then we can discuss/agree the detail.'

It's a matter of personal feeling as to where you set your target salary level for a particular job, ie., how much you'll eventually be happy to accept, and how firmly you hold out for it and anything above it. This will be a combination of what you want, need, whether you have another real offer, and generally what your market value is - these are the reference points.

In terms of negotiating salary and package, your best position is always to secure two job offers from two different employers, which gives you the huge advantage of choice. If you can't or don't, (which is normal), then behave as if you have other options, which of course you do, if not right now.

Do not allow the interviewer/negotiator to set, suggest or argue for a salary level based on your previous one (assuming it's lower) - be very firm about this. It's not relevant. What you earned before and why you worked for that wage is not their business and has no bearing on your value to them and the market now (make that point politely not aggressively of course).

What's relevant is your value in the market, and how much the employer wants you compared to other candidates and their respective salary expectations. It's important to give them the feeling that you are entirely confident in being able to go elsewhere if the deal's not right. Bear in mind also that you can always buy some time to 'think about it' whatever they offer you. Time will generally work in your favour if they want you. They will worry that they'll lose you, perhaps even to a competitor, and so will be more likely to increase their offer, and to justify some extra budget if required.

You do not need to give them a rushed answer whether to accept their offer just because they'd like one. Of course they'd like one quickly because they know they'll get a better deal that way, and they'd like to finalise the recruitment ASAP.

Generally a good manager and employer will respect you more, and feel you are more valuable, if they get the impression that you are in demand elsewhere.

During the negotiation be sure to maintain a positive and committed view towards the prospective new company and the job (assuming of course you feel that way about them). This will prevent the risk of their coming to the view that you are wasting their time or stringing them along. It's important to be fair and right with people, even while negotiating.

While acknowledging the appeal of the opportunity, conduct your discussions professionally, firmly, confidently, and at the same time ask for their understanding that you have a responsibility to yourself and your family to achieve the best 'price' for what you can do in your particular job market.

See the [job interviews](http://www.businessballs.com/interviews.htm) page if you are changing jobs.

See the [earnings survey example report](http://www.businessballs.com/payrise.htm#salaries_earnings_surveys_market_rates) if you've not already done so - it's for UK 2007 but still a useful guide.

And see the [guidance on targets and bonuses](http://www.businessballs.com/payrise.htm#targets-bonus-schemes) - mainly for employers, but useful for employees and future leaders too.

**asking for a salary negotiation or pay rise in the same job**

If you feel the need to ask for a raise, the most positive way to approach this is to ask for extra work and responsibility and link this to a pay rise, if not immediately then in the future. This is a grown-up approach that employers respond to better than simply asking for more pay for doing the same job.

Another positive approach is to ask for a performance related bonus or pay increase subject to achieving more, based on standards or output greater than current or expected levels. This again should be received positively by the employer because you're offering something in return, and not simply asking for more money, which most people tend to do.

If you do not understand the organization's method of awarding pay increases, your first step should generally be to discuss this with your boss. Pay is normally linked to performance, which allows the company to increase your grade, or promote you, or to award a bonus. Discuss with your boss how you can improve your performance and contribution to the organization, in a way that will enable promotion and grading and pay improvement. At times of low inflation any significant annual pay increase is not automatic or a 'right' of the employee - a pay increase will generally be given in return for achieving agreed objectives or standards and an increased contribution to organizational performance. Find out what process exists in your organization to enable this exchange to happen. It's always essential to keep your boss informed of your position, so talk to them first. If your boss doesn't know then you should ask your personnel department, or person responsible for personnel and human resources, but always keep your boss informed, because their opinion will usually be sought before your employer considers improving your job and remuneration package. You need your boss's support.

Ask for a face to face meeting rather than try to present your case in a letter, which is just a one-way communication and doesn't allow you to develop a mutual understanding of the situation and what to do about it. Simply ask your boss for a review meeting to discuss your responsibilities and remuneration. In the meeting ask what the opportunities are and/or process by which you can improve your salary package. Follow the principles described here - the process needs to be two-way discussion. Approach it positively and constructively. Ask what flexibilities exist and what the rationale is for setting and increasing pay levels. Who does your boss have to make a case to? Will he/she support you? What would improve your case? What commitments would the company want from you? What exchanges can be agreed - what you can put in and what can be given in return. It's a discussion, not a demand.

Separately, before the meeting you must get an objective view and measure of your market worth. Look at other similar jobs outside as well as inside the company and compare them to your own responsibilities and rewards. Personal views about reward and job-load can become very subjective and need to be validated or it's difficult for you (or anyone else) to decide how deserved the claim is.

If you are so nervous about asking verbally for a meeting and therefore need to write, keep it very simple, particularly do not include any details of your position or justification or financial claim. Here's a sample letter for a review meeting request:

**sample letter asking for a pay review discussion**

(Alternatively an email or memo - but make sure it's kept private and discreet.)

Dear.......

Can we meet please to discuss my role and development? I'd appreciate your advice.

Please let me know a time and date that suits you.

Best wishes, etc

Stay positive and constructive - look for opportunities to make your boss's task in dealing with your approach as easy as possible, especially given that resolving salary raise requests are difficult for your boss too.

As an employee, at any grade, it's important to understand the company's position, and to understand your own properly. Taking an instinctive or emotional approach rarely works, and will often lead to conflict and early rejection. Try to avoid thinking and presenting your position in terms of 'I want' or 'I need'. Instead try to present an objective, neutral view, as if you were an observer, which should provide a good platform for sensible discussion, and will also enable you to present a stronger case.

Obviously threats of any kind (resigning or reducing commitment or effort) are likely to provoke the boss and the company.

Achieving a salary increase depends on many factors, and it's important to understand as many of them as possible before you make your move.

**factors which affect salary negotiation**

* how well paid you are at the moment compared to the [market norms](http://www.businessballs.com/payrise.htm#salaries_earnings_surveys_market_rates)
* the rate of inflation
* where you live and work and the costs of living associated with the area, and in relation to other geographical locations where company employs people
* the company's position concerning staff turn-over, retention, recruitment and head-count (ie increasing, reducing, or static; in accordance with planned levels or not)
* the company's trading performance (relative to budgeted costs and planned sales and profitability)
* the available budget your company has for pay rises (which is usually none, apart from annual salary review time)
* the company's last company-wide salary review, and the range of % increases awarded
* the company's next company-wide salary review, and the likely range of % increases
* what precedents would be set for other employees by giving you a rise (this is often a significant issue for the company)
* how valued you are to your boss and company
* how easy it would be for them to replace you with someone of similar capability and value at the same or less salary
* how much extra responsibility and/or you are prepared to take on
* how much extra effort you are prepared to put into the job and how ambitious you are
* and, very importantly, what you will do if you don't get a raise or salary increase (ie., how much you want to stay with your present company and how confident you are that you could find a better job elsewhere)

You need to understand all of these factors before you decide how to approach the situation. The stronger your position the more firm you can be in asking for a salary increase.

Ask yourself why, honestly, you want or need a salary increase. Some ask because they feel under-valued. Some people are genuinely are under-paid. Are you being fair and realistic? Stepping back and taking a truly objective view is so important. Put yourself in your boss's shoes. How would they see the situation?

If you believe that you have a strong deserving case, then write it down, which will help you to see things objectively, and will provide you with a prepared position, enabling you to keep control and present your case fairly and professionally. Find out what you can about the company's position, referring to the above factors. If you can find references from the market that indicate you are paid less than the norm then prepare to use them.

Always remember that you are one of several or many hundreds or thousands of employees. Each one would take more money if offered it. The company has had to plan and budget for employee head count and salary along with all other costs and revenues, and it's not easy for a manager or director to change things outside of the normal time to review these budgets.

Nevertheless, if you present a strong case the worst you will do is increase your chances of receiving a more favourable review when the next review time comes around. At best, if the company has sufficient flexibility and reason, you may be able to achieve a pay rise before then.

Having prepared your case, ask for a meeting with your boss, but don't state the precise reason for the meeting. Say it's to discuss a personal matter, or to discuss your development, or to present a proposition. If you say you want to ask for more money your boss is likely to say no there and then, or to warn you that the answer will be no, and you've lost the chance to present your position properly. You need instead to keep control of the situation and that includes crucially controlling the timing and basis of the decision.

Present your case, unemotionally, and try to understand your boss's and the company's perspective. The case you present should emphasise what you are prepared to do for the company - what's in it for them (see [WIIFM](http://www.businessballs.com/acronyms.htm)). Avoid making a case that's wholly centred around what you want. Present as much objective information (ie., not your own opinion) and evidence that you can - you are trying to build a case, not merely make a request. It may be that if the decision has to be referred upwards by your boss that your boss will agree to present your case on your behalf, in which the clearer and stronger it is the easier this is and the greater the chance of success.

Ask your boss to explain the company's position if you do not understand it. Try to understand your boss's own role within this and how decisions are made. This information may give you ideas about how best to progress the situation from here on.

It is unlikely that your boss will be able to agree to your request at this meeting. The bigger the company and the further removed your boss is from the CEO the less likely a quick answer will be.

Often your immediate boss will not be empowered to agree salary increases for anyone. In this case it's important to gain agreement in principle from your boss to the case you are presenting. Try to secure your boss's agreement that they will pursue the matter and they they will support your claim.

If your boss is the CEO or a director with suitable authority to agree to your request, the process is more straight-forward. This situation is more likely to apply in smaller companies and/or if you hold a senior position with the company.

If the company is not able to agree to your request ask for reasons why, and consider them carefully. Try to see things from your boss's and company's point of view - they may have no option but to refuse your request. If your request is denied for reasons of budget and timing you should seek a commitment that the increase will be given or at least considered at the next suitable opportunity for the company. This will normally be at the next annual salary review for all staff, at which time you would obviously be expecting to receive an increase greater than the general level or range for all employees.

There may be circumstances that prevent the company from offering any performance related increase, or linking an increase to greater responsibility. You must decide if you think the company's position is right and fair.

If, despite your your best efforts at presenting a reasonable case objectively, and discussing it professionally, the company will not consider or agree any way for you to achieve an increase in pay, you have no option other than to conclude that they do not value you as much as you value yourself.

This happens sometimes. It's not the end of the world, and this may be the time to seriously think about moving on. If you decide to look for another job don't do it with a bitter heart - aside from anything else it will show in your discussions with new prospective employers and you will not be offered the jobs you want. If you decide to move on do so with a glad heart and with the minimum of fuss. Certainly avoid telling your employer that this is what you intend to do. Some, not all, employers can become defensive or even aggressive towards people whom they consider have become disaffected. This is particularly so for anyone working in a sensitive role who could damage their employer or waste resources while continuing to work while seeking another job.

Retain your dignity. Integrity has an immense value and you never know whose paths from your past you will cross in the future. Falling out with a boss or employer over salary rarely profits anyone.

If you find yourself looking for another job in response to being undervalued by your current employer, you are very vulnerable to being seduced by what's on the other side of the fence, simply because it provides an escape and a chance to prove certain people wrong. The grass will appear greener on the other side of the hill, but often it's not. Some people embark on a bad marriage on the rebound, and the same thing happens with job changes. Think carefully about the new opportunities you find, and consider everything properly. Write things down so as to evaluate the pro's and con's objectively. Often you will find that after really thinking properly about things that your current position compares very favourably with everything else available out there.

When and if the time comes to leave, you should ensure you have a written job offer before you resign. Discuss your intentions and reasons with your boss in a grown-up, professional and polite manner. You must also give written notice. It is very important to behave with dignity.

Do not be surprised if your boss responds to your resignation with an offer to increase your salary. You may even be offered a promotion. It's the way that a lot of companies work - they don't do anything until and unless they absolutely have to; it's simply the way a lot business is - decisions and activities are all based on priorities. A salary request is regarded as relatively low priority by most organizations - they simply dare not give any other impression or they'd be deluged with requests every day. A resignation of a valued employee is potentially very high priority -it has implications of job coverage, productivity, continuity, recruitment and selection time and costs, induction and training costs - all very expensive and disruptive, which is why people resigning are often suddenly asked to stay and offered suitable incentive. If this happens think carefully about it. Don't say no for pride's sake alone. Don't say no for fear of letting down your prospective new employer (they'll get over it). It is after all what you were seeking in the first place.

It is often said that the only true way to find out how much your company values you is to resign, and this may be so. Some have even gone so far to say that if you think you are underpaid, resign and re-apply for your own job when you see it advertised at the higher salary you were requesting. I'd never advocate such a risky tactic, not only because most times life goes on without you and they'll find somebody who can do your job acceptably well for the same or less money, but really for this reason:

If you are unhappy about your salary, and you feel underpaid and undervalued, you will do your reputation and future a lot of good by approaching the matter in a professional, well-prepared and objective way. People that can handle their own difficult situations are seen by their employers as people who can handle other difficult situations well too, and as such your value and potential increases.

**increased responsibility with no increase in pay**

Good managers in good companies respond well to people who are prepared to take on more responsibility for little no extra pay - typically helping with supervisory duties or standing in during the boss's absence; but this is usually on the understanding that within a few months or a year at most, the new grade is formalised with a resulting increased package.

Such an an arrangement (increased responsibility with a conditional future increase in pay) would normally be recorded as part of an individual's career path development, so there's a meeting of minds and a mutual commitment.

Companies do sometimes (deliberately or unintentionally - the former needs dealing with very cautiously by employees) exploit staff who agree to take on more (work, hours, responsibility, etc), and employees who refuse such 'promotions' cannot really be criticised for saying no and protecting themselves from this risk of exploitation.

A manager or company which offers an unpaid promotion without any guarantee of review or increase in reward demonstrates a concerning lack of proper process, both in substance and style. Such poor management is not unusual, particularly in small companies, where financial pressures can cause proper process to be sacrificed. If a big company does this I'd be even more concerned because they should know better, and should have safeguards and policies in place to prevent it.

As ever the challenge is to turn the opportunity of unpaid promotion into a positive:

Ideally, assuming you want advancement and you like the job and the company etc., you should be trying to find a way of accepting the opportunity, because that's what it is, irrespective of the fact that the company might be asking you to do more for no extra money.

Increased responsibility is always an opportunity - to learn and develop and grow - in this respect an unpaid promotion is no different from a paid one; there are many benefits outside of the financial reward.

However, bills have to be paid, and no employee is a charity.

The best way to handle anyone (an employer, supplier, customer, friend, whatever) asking you to agree to give a major concession like this is to**make your acceptance conditional**. This is an important aspect of negotiating (effectively you are in a negotiating situation with your employer, even though they won't have positioned it as such). See [negotiation](http://www.businessballs.com/negotiation.htm) technique.

For instance, in this situation you might say "okay, subject to your guaranteeing me an increase/performance bonus/proper review in 3/6/9 months time" - whatever you feel is suitable and reasonable given the company's circumstances.

Do this even if the company has offered no guarantees. You have to encourage them to think about this - it's called managing upwards. If they can't agree even to a review in 6 months time (which I think would be a reasonable minimum expectation on your part), ask what they can do for you in return for your commitment and trust in them, and decide accordingly.

If initially you've said no a day or two ago, it's not too late to re-open discussions with them - just say you've been giving it some thought and you'd like to try to help arrive at a way for them and you to be able to move forward constructively. This way you are seen to be both positive and professional, and you put a stake in the ground as to how long you'll do the higher grade job before getting something in return.

If they won't play ball you may very well be working for the wrong company. If they will play, plan your contingency accordingly - if you agree to take the management job with a review in 3/6 months, look around for another job as the review approaches - you'll be able to secure a far better new job offer by taking on the management role than if you'd stayed in your current role, and most new employers will respond well to the positive way you've approached the situation.

Obviously make sure any agreement has a written record.

If you can't agree any way forward and the management team is there to stay, then it may be time to start looking for another job - you are likely to be ready for promotion or they wouldn't have offered it, so seek it elsewhere.

If you end up staying with the same company in the same role for whatever reason, as to whether you'll be asked again will depend on how grown-up the management is - if not, they could take your refusal or negotiation stance personally and regard it as a challenge to their authority - then you'll not be asked again for a while or never, (again, good reason to find another company which places more value in you).

Aside from all that, 'the company' is the board and to a lesser extent the management. You need to judge how permanent the board and senior managers are - if they leave, then policy it likely to change. New brooms and all that, which is another reason to stick around, particularly if you really like the job, your workmates and the business environment.

It's not unusual - in sales particularly - to receive a pay cut when moving from a well-paid performance-linked sales job into management for the first time. In some companies the best sales-person earns more than any manager maybe two or three levels up the ladder. So pay isn't everything, especially if you see management as a stepping stone to more important things, like being your own boss, or moving into consultancy, or becoming the CEO one day.

You need to weigh it up - then act professionally and with integrity.

**sample letter asking for a pay rise or salary review**

Always try to discuss the situation first, face-to-face, with your boss - you need their help and guidance. When and if you decide that you need to write a letter to request a pay rise or salary review, keep it short and simple, and positive, with a suggestion of give and take. Here's sample letter asking for a salary review. Adapt it or use it as is.

Dear........

I'd appreciate a review of my responsibilities/role and salary/remuneration.

I'm very positive about my job and the organization, and would like to discuss how to increase my contribution, and the reward I receive.

I'd be grateful for your advice on this.

Best wishes etc.

**asking for a pay rise/raise after being given extra responsibilities or duties**

In many situations people are given extra responsibilities or duties, with no offer of pay increase or a raise. Sometimes a raise is warranted, sometimes it's not - it depends on the circumstances. Whatever the case, it is wrong for any manager or organization to impose extra duties or responsibilities on an employee without discussing and clarifying expectations on both sides with the employee concerned. Failing to do so usually creates a feeling of unease, or even resentment, in the employee. If, as an employee, you find yourself in this situation and feel that you deserve a raise (again, sometimes a raise is warranted, sometimes it's not - it depends on the circumstances) **you should ask for a review meeting**. Ideally do not try to make your case for a raise in a letter or email - save it for a two-way review discussion, when you should discuss your manager's (and your employer's) expectations for your performance (ie., your objectives and standards) as well as your own expectations (salary, reward, and development).

To arrange a review discussion, write something very simple, in an email or letter, or ask face-to-face verbally:

Dear....

Thank you for increasing my responsibility recently. This is something that I welcome. I think it would help us if we meet up to review my objectives, my future development and reward, and any opportunities for me to contribute more to the team effort.

Please let me know a suitable time.

Yours, etc.

What you say at the review (especially how long you are prepared to wait for an increase, and how much you are seeking) will depend on how strongly you feel about your situation, in which case you need to think and decide about your position.

It's rare for organizations to give more pay or reward to anyone unless the organization (or a suitably powerful manager) sees the need, (ie., they are placed under pressure for one reason or another).

As an employee you will only generally place your employer under pressure if you are valued by them, and feel strongly about deserving a pay increase (or any other rise in reward or benefits). Conversely, if you do not feel strongly about it (strong enough to start looking for another job), then at the review don't bother asking for an immediate extra raise, ask for some commitment to pay more in the future subject to performance or achievement of certain objectives, or maybe to add a performance-linked element now (although from the organization's point of view the extra reward would have to be based on extra performance).

Bear in mind that it is easier for an organization to agree to give a raise when it is planning the next trading year. Giving a raise during the trading year is difficult if no budget exists for it, which is generally the case in most organizations. Many employees fail to realise that manager's hands are tied in this respect - your manager may be supportive, but if the budget isn't there, then usually nothing can be done immediately. It is often a good tactic to show that you understand this and that you will wait a while for your raise, provided a clear commitment can be agreed. This also gives the organization time to see you prove that you are worthy of the raise (that you can adequately perform the extra duties).

**sample letter when asked by your employer to write a letter justifying a salary increase**

Sometimes your employer or boss will ask you to write a letter giving reasons why you believe you deserve a salary increase or pay rise or other improvement to your reward package. If so this is an opportunity for you to present a **clear commercial case** for giving you a raise. Always bear in mind that your employer needs to see a commercial justification above all else - personal feelings are not a strong justification for a raise. So think about and explain what you have contributed to the organization's effectiveness and profitability, whether saving costs, increasing sales, improving efficiency, etc., and where possible calculate and show an annual value benefit for the organization for each item.

**letter example structure - reasons for a pay rise**

Dear....

You have asked for justification as to why I should receive a pay rise/ improved remuneration/salary arrangements.

Here are the reasons:

(List the reasons, presented as 3-7 concise clear bullet points. Where you attach values show them rounded to nearest 100 or 1,000 or 5,000 depending on scale, or shorten using the k symbol, eg $50,000 looks tidier when shown as $50k) in a column ranged right margin one above the other, and you can even show a total value bottom right if appropriate - see the examples of reasons below, and tailor to reflect your own situation).

(Then add) I'm happy to provide more detail on any of the above if you need it.

(End with something positive like) I thank you for this opportunity to present this information. I greatly enjoy working with the company, I am pleased to give my loyalty and commitment, and to take on extra work and responsibility. I am keen to be trained, to progress, to learn new things, and I want to contribute as much as possible to the company's success in the future.

I look forward to your response.

Yours etc..

**examples of reasons for a salary raise**

Here are some examples of reasons that you might use to justify a raise - tailor to your own situation:

1. Refer to objectives you've achieved in the past year - attach values per annum (cost saved or extra profit or revenue achieved) to the company.
2. Refer to examples of your achievements outside of your objectives above, which have contributed to profit by increasing turnover, efficiency, solving problems, training others, saving time, saving costs, etc - the more examples of your achievements in these areas the better - try to attach estimates of value per annum (profit, cost saving) each example has produced for the employer.
3. State the extra responsibility/ies you have taken on since your last raise, either officially or informally - make reference to your basic job description and the additional responsibilities you now fulfil beyond these duties - attach values or person/days/per year equivalent of this extra work you do - ie., it's saving them having to employ someone else to do this extra work.
4. Refer to any supervisory or management responsibility that you have taken on informally or formally since your last raise and attach values as in the items for point 3.
5. If you produce or retain sales/customers, quantify the value of any business per year that has not already or fully been compensated via bonus or commission - it is reasonable for you to be compensated for this contribution.
6. Refer to any qualifications earned since your last raise or that your employer may not be aware that you possess - employee qualifications often increase the competitive strength and/or customer accreditations of a supplier organization.
7. Identify extra opportunities, responsibilities or activities that you would be happy to take on in the future if suitably rewarded, which would benefit the company (increase sales, profit, reduce costs or save time) - especially if these items are not being attended to currently.

And optionally, depending on the situation and whether you think this will be received positively, (because these items can be seen as threatening by some bosses and employers):

1. Compare your package with [market norms](http://www.businessballs.com/payrise.htm#salaries_earnings_surveys_market_rates) (eg., other advertised rates for similar jobs - this often provides good justification for a boss arguing on your behalf).
2. Suggest that companies who pay more than market average tend to secure the services and loyalty of the best people available (this is relevant if you work for an employer who aspires to be a high quality company as high quality companies need high quality, and therefore more expensive, people).
3. Suggest that you may have to consider your position if your remuneration fails to match the level that you could find with another employer (obviously this is a threat - use only if you have had to resort to such tactics, eg., if you have an extremely hard-headed boss who likes to play hardball).

**tips on how to handle pay rise request discussions**

This is from the employee's standpoint, for example when a boss or decision-maker has agreed to discuss salary, when you believe you are not being paid fairly, and are due a raise.

Generally the best way to discuss a pay rise situation like this is to look at the situation objectively together with the boss or decision-maker, rather than approach the discussion head-to-head.

Discussing the situation as if you were a neutral outsider, both looking at the situation, rather than it becoming a face-to-face argument or justification struggle, is the best way to avoid emotional reactions and obstacles. (This 'detached positioning' incidentally is the best way to avoid emotional distractions and provocations for any sensitive discussion between two people or factions, even disagreements with neighbours, disputes with the authorities, complaints about suppliers or products or services, negotiating with children and teenagers, etc.)

In this way, in a discussion about salary level or an overdue pay rise, it would be reasonable to suggest (which you could do as a sort of neutral commentator) that anyone doing the job concerned for this level of pay concerned is likely at some stage to look for and secure a better package with another employer. Moreover typically before doing so, employees who feel undervalued (because they are underpaid) find if difficult to maintain enthusiasm and effort - it's only natural.

This would be a waste for the current employer who had invested so many years in developing the knowledge, experience, mutual relationship, trust, loyalty, etc in and with the disillusioned and later departing employee, which would be a shame.

The employer would then be forced to recruit, train and invest again in the replacement person, which is expensive in cost and management time, not to mention disruptive to the service activities involved and related or dependent.

It's a shame also for employees who are forced to leave jobs they love because they simply cannot afford to stay for financial reasons, or for reasons of frustration and/or stress (feeling undervalued is a big cause of stress).

The ideal outcome to these situations is for the employer to make the employee a sensible improved pay offer, based on market norms and the true value of the employee.

Employees normally aren't greedy - they just want to be valued and treated fairly.

Paying employees what they are worth doesn't generally open the floodgates to lots of ridiculous wage demands - it simply maintains a fair balance of effort and reward that's essential for any successful and sustainable enterprise.

Employers who intentionally or unintentionally take advantage of the goodwill and tolerance of any employee, by paying them less than is fair, generally end up losing the employee and never knowing why - here is an opportunity (you can suggest, if you are the employee) to act before matters become difficult.

An optional extra suggestion is that the best companies generally pay slightly higher than market norms - this ensures they attract and keep the best people, which enables the company to perform better than its competitors. It follows that the employers who pay less than market norms will eventually end up with the least able employees, because the best ones are all working for the competition.

As an employee embarking on discussions about a pay rise, you might also find it helps to empathise with the employer as to how the situation has developed - it's no-one's fault - it's just the way that things happen sometimes. This will demonstrate your maturity, remove any perceived threat of your holding the employer personally responsible for your mental anguish, and should hopefully ensure that the compromise is relatively easy for the employer to agree.

Big arguments involve big climb-down for someone, and that someone is rarely the employer, so don't have an argument, have a mature objective discussion.

**negotiation of salary increases and pay rises - frequently asked questions, and answers**

Q: When is a good time to discuss salary rises?

A: When the organisation is reviewing performance-related salary increases for all staff (prior to finalisation of the coming trading year's budgets). Or when you have secured another job offer. Or when your boss is asking you to take on significant extra responsibility which you have a choice whether to accept or not.

Q: What is the best way to approach your boss about this subject?

A: Ask for a face-to-face discussion about your responsibilities, reward and career direction. Then at the meeting ask for help in formulating and timing an approach and justification for an increase in salary that meets (rather than conflicts with) your organisation's processes, protocols, policies and timing.

Q: How can you prepare yourself for a salary negotiation meeting?

A: Understand the policies, timings, protocols, criteria, etc., within your organization. Have quantifiable evidence of your value and contribution to organizational performance and profit. Be positive and constructive. 'Facilitate' the process. Help your boss to help you. Avoid being a pain in the ass. If you are really up against it ideally secure an alternative job offer beforehand; this is the only thing that will give you sufficient power and choice necessary to apply real pressure (and more particularly to provide the management with justification for breaking policy to meet your demands).

Q: Where can you find out information like the average salary for your field, so you are prepared and have fair expectations?

A: Local, national and trade newspaper job adverts. Online job adverts. Competitors job vacancy adverts especially. Also paywizard.co.uk.

Q: What other things are good to negotiate at a time like this, why, and how do you best approach the subject? (ie holiday, bonuses, work hours etc)

A: Keep the whole package in mind all the time. Think about it all beforehand and be able to provide market-norm examples and reference points as justification and evidence. You will make things difficult if you try add new demands and after-thoughts in later. Ask for things that are usual in your organization, and for which some precedent exists and can be referenced. Strange requests will meet with far greater resistance.

Q: What should (and shouldn't) you use as leverage in a salary negotiation meeting?

A: Use evidence of your value to the organisation, directly linked to cost saving, profit improvement, and other [KPI's](http://www.businessballs.com/acronyms.htm) (key performance indictors), eg customers gained, retained, problems solved, efficiencies achieved, initiatives started, positive effect on colleagues/team-members, customer feedback, business generated. Use alternative job offers, especially (if your employer is very stubborn and unfair) from competitors. Avoid using anything that is not fair, honest, right and proper as this will undermine your integrity and credibility.

Q: What factors affect salary negotiation?

A: Your boss's feelings about your value to the organisation and his/her level of influence in the organisation. Timing, and how this fits with the organisation's salary reviews and budgeting. The value the organisation places on you to the organisation, which is partly contribution-related, and partly reputation/attitude/influence-related, ie., your standing in the organisation. Simply - try to be a person that is well-regarded by your boss, his/her boss, and the senior managers/executives who can recommend and approve salary increases, especially if what/when you seek is outside policy norms. Your value to the organisation also depends on their organizational priorities, and relevant capabilities and resources are at the time. Be aware of whether market forces are on your side or not: essentially the extent to which the organisation sees you as being vital to the achievement of corporate aims and targets, and extending this, how easy is it to replace you (or to choose an alternative applicant). No-one is indispensable, but some people are less dispensable than others, and these people will always have more leverage when it comes to salary renegotiation.  
  
In summary:

Be aware that when you attempt to negotiate a salary that is outside normal policy or timing, then you are attempting to control or at least influence the behaviour of a very big and complex system, ie., your organisation. The more you can understand what this system needs, and how it operates in terms of making these decisions, including all the personal factors affecting managers and upline executives, then the better chance you have to achieve an improvement.

The 1st law of cybernetics states:

"The unit within the system with the most behavioural responses available to it controls the system."

This is also known as the **the law of requisite variety**. It is also central to the concepts of [neuro-linguistic programming](http://www.businessballs.com/nlpneuro-linguisticprogramming.htm) (NLP), which are helpful in all matters of relationships and communications, not least for salary negotiations with your boss.

Your career is a marathon not a sprint. Consider the longer term and have a faith in yourself that you will eventually get what you deserve.

Finally, if you achieve a salary increase, especially one that is outside of normal policy, ensure you deliver your side of the bargain. This will stand you in good stead the next time.

**tips for job promotions**

These tips for getting job promotions are ostensibly written for employees, but they are helpful also for managers and employers 'on the receiving end' of promotion requests, because the principles described indicate how to approach these issues of promotion and career advancement positively and constructively - by which employees can be encouraged to be more self-reliant, proactive and aspirational.

Getting promoted is an aim of many employees in organisations. But there there are far fewer vacancies than people who'd like to fill them.

So take a different approach.

While you are waiting for your dream vacancy to appear, make something happen for yourself.

Don't wait for a dead-man's shoes opportunity or vacancy to arise - applying for an internal advertised vacancy is often no more than a lottery - similar to getting a job in the first place. So why compete with lots of other people, all going after the same single vacancy, if you can instead make your own opportunities and build your own bigger area of responsibility?

Pay and position and job promotions are driven and defined by scale and effectiveness. The first three - pay, position, promotion - are very difficult to change for yourself in isolation. The latter two - scale and effectiveness - you can influence all you want by what you do and how you work. Raise the scale and effectiveness of what you do, and all else will fall into place quite naturally in time.

Rather than wait to be given the new job and new responsibilities, start looking for ways to become more valuable and effective in your organisation while performing your current role. In so doing you will almost inevitably create a promotion for yourself - in a job that you love, because you'll have defined it for yourself.

This means of course that you need to invest some time and effort. Most people don't do this because they don't want their employer to get something for nothing, but think about it:

It's an investment you'll be making mainly for yourself, for the increased experience and value you'll derive - which will make you more valuable to your employer - and any other employer as well.

Of course when choosing new additional areas to develop for yourself it makes sense to tell your boss what you are doing and why you are doing it. Not least so that when you've achieved some great things, and demonstrated that you work better at a higher level, you can ask for suitable recognition, promotion, reward - whatever - you've set your stall out, and now you've presented an irresistible case. Employers fight hard to keep people who do this sort of thing. They'll almost always offer you improved terms and promotion before you ask for it, because they'll worry about losing you.

So don't wait for a vacancy, carve out your own niche - irrespective of having formal responsibility or position to do so - develop your activities and level of operation into higher, bigger, more strategic, more productive areas. Anyone can do it, and you don't need a promotion or new job title first.

Let your boss know what you are doing - especially if you need permission or approval for new project ideas - and be open to advice, guidance and support, but (most bosses love to help people develop - you'll be a breath of fresh air).

If you see opportunity laying around pick it up

If you see a responsibility vacuum fill it.

Be mindful that most job promotions entail managing people. So ensure you start working on and demonstrating great capabilities in that area: develop a reputation as someone who helps others - in whatever way you can. Coach, encourage, thank, recognise, praise, give credit, listen to, and always be good to others. Essential responsibilities of good management are coaching and developing others, and helping them to do a better job. You can start doing that tomorrow if you are not doing it already. Now you have begun to promote yourself.

If you are in selling or account management, or buying, or any other role that directly relates to increasing revenues or saving costs - grow your activities and effectiveness (and results) to the point that you need assistance, and then it's easy to make a case for bringing a trainee in to work under your wing - now you are managing and training someone else - and you've created your own promotion where no opportunity 'apparently' existed, because the scale of what you are managing has increased beyond your original job responsibility.

Invest your own time, energy, commitment, enthusiasm in building your reputation as someone who is proactive, self-reliant, mature, tolerant, productive and self-motivating. **Be** the promoted person you want to become, and the formal recognition and reward will follow.

On which point, although financial reward and promotion generally follow good achievement, your biggest reward for doing great work and achieving good things is actually your increased experience and value as a person, not the pay or the promotion. It might not seem like it at the time, but this is a fact.

Think about how you can help the organisation to be better, in ways that you enjoy and are good at:

Identify activities which produce a high yield or great results from your effort - you are an expensive resource within your organisation - use yourself wisely.

Demonstrate that you have good strategic judgment by the way you manage your own time and priorities - if you demonstrate this it follows that you will be able to manage a larger scale of activities, and you will be seen by others as capable of doing so.

Act like the promoted person you want to be - start doing the things, and behaving in the way, that (good) higher level people do.

Where necessary seek approval of course for new initiatives that are technically outside your remit. Consider the implications carefully and help your boss to understand and agree with what you want to do.

Discuss other new ideas and projects with your boss. Agree aims and parameters. Offer to check back at key stages.

Seek approval for starting initiatives and projects - and choose things which demonstrate your ability to make good things happen for the organisation.

I repeat - **you do not need to have the formal responsibility or title to simply get on with doing higher level things**.

Imagine you are an external provider, who is contracted to take on new tasks wherever a significant and relevant opportunity arises - this gives you the attitude that the organisation is your customer - give them your best - more than they expect - and they will do almost anything to keep you.

Always be positive and constructive - become valuable to the team - coach and help others - lead by example.

Get involved in new things and initially do not seek additional reward - tell your boss what you are doing and that you are happy to do this because you are investing in your own future, and that you have a confidence that formal promotion will inevitably follow higher level achievements (or words to that effect), hopefully with your current employer, but if not, no hard feelings, with another employer.

Have the faith that reward and promotion always follow people who perform above their formal responsibility.

Expose yourself to greater responsibility, new learning, and higher level experiences because this will develop you for life, not just for your current employer - if your employer does not recognise and reward you for your increasing contribution and potential to manage a wider scale, then someone else out there will.

Make a difference - become indispensable - help to develop and encourage others.

Doing all this will generally create a pressure on your employer to promote you sooner or later- whether or not there is a vacancy.

As already mentioned above, your working life is a marathon not a sprint. Invest in yourself. By becoming more valuable you will irresistibly command a bigger reward and greater formal responsibility.

And what if your employer does not allow you to make a bigger contribution? Find one who does.

Or if your employer isn't interested in your coming up with creative ideas for making improvements? Find one who does.

Or if after achieving great things and carving out your own niche your employer refuses eventually to reward and recognise you for your achievements and value to the organisation?...

Are you not now in a much better position to go find one who will? You betcha.

So start acting promoted now. Seek greater responsibility. Help others. Improve the organisation. Make a difference.

And one way or another, promotion will follow.

**tips on agreeing or negotiating new working hours and conditions**

These tips on negotiating working hours and conditions are written from the employee's perspective, but the principles described - of cooperation and creative exploration of change and improvement - are just as relevant for managers and organisations.

First, consistent with the tips on pay rises, understand your organisation's policies, reasons, decision-making and flexibilities relating to hours and conditions - ask your boss, the HR department, anyone who can help you understand.

Organisations are complex and changing things isn't easy, so what helps is understanding what kind of change might offer an improvement to the way the organisation works, as well as you.

Then think creatively about ways to change and achieve what you want that will also benefit your manager, colleagues, the organisation and customers, suppliers, etc.

Organisations (and bosses) often benefit from positive suggestions for change from their people (because the need or opportunity hasn't been recognised yet, or if it has they don't know how to achieve a change) and there can often be be a good fit between what you need and what they will find helpful.

Be creative and facilitative in your approach - remember that people need a WIIFM (what's in it for me).

If your idea contains no WIIFM for the other person and the organisation then it won't get off the ground.

Approach the situation with an attitude of enabling and facilitating rather than negotiating, which can be seen as confrontational.

Instead, **help** your boss. See things from his/her point of view. It's in their interest to have happy people with fair and appropriate working conditions. Be creative; enable, cooperate - don't impose or go head-to-head.

Look for changes that contain benefits and improvements for all - they are there if you look for them.

Be mindful that your boss is likely to have to sell or justify the change to the system behind him/her.

Ask yourself and understand: what are the systemic implications? How can the change be managed?

Organisations don't want problems and cap-in-hand requests - they want positive constructive thoughtful solutions, recommendations and ideas.

All this links to other aspects of pay and reward, career advancement and job promotion:

Anyone can complain or raise problems and awkward requests. Kids do it to their parents. Victorian factory workers used to do it to their masters. But now the world is changing - more and more employers are opening up to the idea that their people have great potential, and can achieve great things, can identify and solve problems, can help to change the organisation (often where the bosses have failed to).

The paternalistic management style is dead. Because people can look after themselves.

So take responsibility for yourself, and the organisation, in seeking change and improvement.

Look for ways to improve the organisation and its activities around you, and you will improve yourself, your opportunities, and your value at work and beyond.

**pay and reward for 'in-job growth' development of role and responsibilities**

For the purposes of these notes, 'in-job growth' is defined as development of an employee's responsibilities and capabilities within a role or job that clearly and positively exceed the basic remit (or job description) of the job or function concerned.

In today's fast-changing world, if you stay in a job for a few years it is highly likely that the role, and your effectiveness, capabilities, range, responsibilities, etc, will grow considerably. You might also find that you are doing a lot of your boss's job.

This creates a challenge and an opportunity, especially if you begin to feel that your growth and extra contributions are not being recognised and rewarded.

In-job growth creates obvious challenges and opportunities for organisations and employers too, especially since the situations often lead to tricky discussions about pay rises, extra rewards, bonus payments, job-grades, and promotions, etc.

That said, employees and employers always should encourage, welcome and react positively to in-job growth.

From the employee's perspective if you are seeking reward (pay rise, bonus, grade, advancement, etc) then you yourself - the employee - are normally the determining factor:

As already discussed, it is rare for employers to offer extra pay or grade unless they are forced to one way or another. The notion of rewarding people without being pressurised by the employee to do so, clearly undermines the over-riding focus on cost or profit that most employers, and therefore management, see as their main priority.

Therefore passive loyal employees who do not aggressively put themselves forward for pay rises and promotions can find that they become victims of their own loyalty and tolerance, which is a shame.

If you find yourself in this situation here are some ideas to help you decide what to do, and some thoughts for employers too.

What you do about finding yourself with a role far bigger than originally contracted depends on your need to stay with the same employer and how much you want to help them, versus your personal need to develop, grow and maximise your rewards and opportunities.

Your strength of response (ultimately being prepared to leave) will determine the employer's reaction.

I'm not advising either way - it's up to you - you must decide what's best for your and yours.

Stay or move is the real question.

Staying = acceptance. Moving = improvement (almost always, and especially after many years in the same job since often 'familiarity breeds contempt' and employers tend to take passive loyal employees for granted).

In this respect the principles elsewhere on this page apply about seeking a pay rises.

Ultimately how you are treated by an employer is dependent on your strength of feelings about improving your situation, versus your loyalty to and love of the job.

It's normal for good people achieve a lot of 'in-job growth', simply by doing the job in a positive committed way over a few years.

Thus people naturally develop their responsibilities and range beyond their formal job descriptions, which can also extend progressively to taking over some or many of their boss's responsibilities.

Good bosses should be encouraging this (it's called succession planning..) but of course many fear it, and most employers are slow to react to this sort of 'in-job growth' because of general organisational inertia.

Good organisations should encourage the whole process of 'moving into the space above' (and to the side as well, wherever, as long as people are growing), because that's how everyone becomes more productive, strategic, and fulfilled as individuals.

First, employees must accept that some in-job role growth is inevitable, is a good thing to be strived for, and doesn't necessarily produce extra reward or grade. This is the way organisational systems develop (civilisations too): functions and job roles continuously become more informed, capable and effective over time. Compare a basic clerk's effectiveness and capabilities now with twenty years ago - a clerk performs many duties today that would have been senior management or expert responsibilities a generation ago - and yet the pay rate and grade for a clerk's job in real terms is not any different today than in the past.

Second, however, employers need to recognise and respond when a good employee's growth **does** warrant increased pay, grade, promotion, reward, etc., which it does in many cases.

How the employee responds to having achieved significant in-job growth largely determines whether the growth does actually result in extra pay, grade, etc., or not. It's a self-fulfilling prophecy.

If the employee accept things (no improvement to pay or grade - even after a review and a fuss) then the organisation automatically sees no need to pay no more for the role. The inertia survives intact.

If the employee leaves (or secures another job offer and resigns) then the organisation clearly sees that the role is being insufficiently valued and rewarded. Good employers will try to keep good employees in such circumstances (usually by offering the requested pay-raise or promotion); bad employers will probably not, and probably won't know the difference anyway between a good employee and an average one; never mind understanding and being able to manage in-job growth and succession planning, etc.

Therefore what typically determines where the line is drawn between role growth that attracts better grade and pay, and role growth that does not, is you - the employee. The employee is the 'market force'.

Where employers fail to recognise and reward good employees, particularly those who achieve significant in-job growth, the good people (even the passive loyal ones) eventually leave to find the growth path and reward elsewhere. Many do so without a fuss and the employer hasn't a clue what's happening because all they are worrying about is saving money and making profit. Market forces kick in when a neglectful inertia-bound organisation starts losing too many good people, who move on because they are not fairly recognised, rewarded and developed, etc. The neglectful organisation saves money in the short-term, and maybe some management time too, but then eventually succumbs to market forces when they realise all their great people have buggered off to better employers, upon which the dumb employer then has to start paying more money and offering better development and career progression, etc., in order to attract and keep any people at all.

Employers should recognise and support as much in-job growth as people want, and where warranted should formally increase grade, give promotion, reward, etc., without passive loyal employees having to agonise and worry about pleading for fair reward and advancement.

Some organisations, strangely, find it difficult to judge whether someone's growth warrants recognition or reward or advancement. More likely it's the inertia thing again - leave sleeping dogs to lie, etc., - "If we ignore it they might forget about it and go away..." You betcha - they'll go all the way to your competitors and you'll be left with the resource gap and the headache of recruitment and training.

So let's be clear, (and this is for employees and employers): appropriate reward for in-job growth is 'warranted' when the employee's additional contribution can be clearly seen to add value to organisational performance beyond the originally agreed job description and pay and grade, etc., - and at the same time, the organisation can genuinely afford to increase reward levels, whether attached to job grade increase or promotion, or any other method as would enable fair reward.

By addressing these issues organisations can begin to break the inertia that commonly prevents proper and fair response to in-job growth, especially when it's achieved over several years by passive loyal workers.

Finally, realise that you - the employee - are actually the market force that determines the visibility of this issue for the employer - you can determine how you are treated. There's a big wide world out there - if your employer is not fair and ethical, find one that is.