

SET YOUR PAY RAISE GOALS

Knowing your market value (range) and the type of pay raise you plan to request poises you to develop a three-point framework for negotiating your Competitive Pay Raise or Merit Raise.

Your **Aspiration Point**: _____ (aim high, yet be realistic; be able to justify)

Your **Anchor Point**: _____ (open with this #; *reasonably* higher than # above)

Your **Reservation Value**: _____ (any lower and you'll start a new job search)

To get a better understanding of the three terms above, I recommend you look them up in the [online glossary at Harvard Law School's Program on Negotiation](#).

Goal Guidelines for a COMPETITIVE PAY RAISE: An ambitious but realistic target might be the dollar figures in the 75th percentile of your researched market value salary for your position. Make that your **Aspiration Point**. Your **Anchor Point** might be the figure that lands in the 90th percentile. Your minimum goal with Competitive Pay is to reach at least the 50th percentile of market value, so that's a guideline for your **Reservation Value**. These are guidelines only; all these numbers are ultimately your decision after considering various factors.

Goal Guidelines for a MERIT RAISE: Assuming you're already earning Competitive Pay, an ambitious but realistic Merit Raise target might be to reach the dollar figures found in the 90th percentile of the market value. Make that your **Aspiration Point**. For your **Anchor Point**, adding \$3000 to \$5000 to the Aspiration Point would be a reasonable anchor for most professionals. Or [use this negotiation trick](#) to help you set the range between the top two numbers above. Your **Reservation Value** might correspond to the average raise value for your employer or industry, but again, you must decide the threshold at which you'll start looking for other job opportunities where your value is compensated at the level you seek.

Note: Pay raises are usually granted in percentage terms so be ready to negotiate in both dollars *and* the percentage increase the dollars represent.

For example, if your current salary is \$67,000:

- An Aspiration Point of \$72,000 = a 7.5% increase
- An Anchor Point of \$75,000 = a ~11.7% increase
- A Reservation Value of \$70,000 = a 4.5% increase

Obviously, your figures will be different, but do the math to get the % increase for each target. After you've got all your numbers, transfer them to your Pay Raise Meeting Planner.

Do the work to get measurable results.

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