

## How to ask for a pay rise

Written by The Conversation

---



Despite what RBA chief Philip Lowe says, asking for a pay rise isn't so simple for many employees. Shutterstock

When Reserve Bank governor [Philip Lowe argued that the real source](#) of workers' unhappiness was an unwillingness to lobby for higher wages, he overlooked a key tenet of negotiation: we negotiate most successfully when we have highly valued (and scarce) skills.

Negotiation is all about who has the power. If your skills are not in high demand or are readily found elsewhere, you have less power. It would be unrealistic, for example, to suggest a secondary school student working on an hourly rate, or a semi-skilled factory worker whose industry is in decline, is able to negotiate higher wages.

To assert, as Lowe has, that the low jobless rate should encourage workers to ask for higher wages ignores the possibility that the jobless rate is not evenly distributed across sectors. You would only know who had the power to negotiate if you found out where the demand for skills was, sector-by-sector.

If you have skills in high demand, you should be able to negotiate a personalised employment contract that offers you a mix of economic and other benefits based on your skills. Much of the advice about renegotiating employment contracts is aimed at people who have skills to offer.

You can make your case for a pay rise by highlighting your unique skills and contributions to the organisation. You should provide a well-reasoned case for increased wages and explore some non-economic ways to enhance your overall remuneration package. A caveat on this approach is that it works better for men than for women, who violate the [stereotype-based expectations](#) that they display warmth and concern when they ask.

However, if your skills are the type that's found elsewhere, a different strategy is called for. The traditional advice is to build your negotiating power by identifying alternative options, so you're less dependent on your current employer.

## How to ask for a pay rise

Written by The Conversation

---

The risk with this is your employer may decide they also have many alternatives and may be willing to lose an employee who asks for a wage increase. So the usual advice for these employees is to build alliances to strengthen their position – in short, [collective bargaining](#) .

## The big ask

[Here are some practical tips](#) for negotiating a pay rise.

### Prepare

Start from the perspective that more of the world is negotiable than you might expect. Be clear about what you want. Help the other person to understand what you want and why you want it.

Do your homework. Gather information about what is a reasonable pay rise and use this information to develop a strong rationale for your request.

### Build the relationship

We are better able to influence others when they like us. You should establish a rapport with whomever you're asking. Try to send them signals that you're trustworthy and approachable. This will not only help you now but down the track.

Be sure that you don't damage your relationships when tensions surface in a negotiation. Rather than respond negatively or competitively, use points of tension to gather more information about your boss's rationale.

### Show them you're listening

## How to ask for a pay rise

Written by The Conversation

---

Understanding the other person's concerns and constraints usually results in better outcomes for both negotiators. If your boss doesn't agree with your proposal, try to understand if something is holding him or her back. Are there external constraints that make it difficult for them to agree?

Frame your requests from the other person's perspective. How will agreeing to your pay rise benefit them? And try to understand the reasons behind their questions.

## The moral question

In the absence of a strong collective voice, recent research suggests that low-power workers may improve their outcomes if they elicit concern from their employers by, for example, [expressing sadness](#)

or [seeking sympathy](#). Appealing to an employer's emotions may make them more open to renegotiating wages, because it shifts the framing of the request from a pragmatic (economic) perspective to a moral one.

Lowe's comment actually raises a broader moral question: where does the onus for fair compensation lie? Placing responsibility on employees is likely to disadvantage the already disadvantaged: groups such as women, who are reluctant to ask and who are derogated when they do.

So perhaps organisations, which have a duty of care towards their employees, bear some of the responsibility for ensuring fair compensation. Employment relationships are underpinned by a social (psychological) contract and the expectation that each party will "do right" by the other.

At a time when company profit shares are at an all-time high and wages growth is flat, perhaps organisations should think a little harder about their side of the social contract.

*Mara Olekalns receives funding from the Australian Research Council*

## How to ask for a pay rise

Written by The Conversation

---

**Read more** <http://theconversation.com/how-to-ask-for-a-pay-rise-79756>