

# How to get a salary increase without even asking

Headlines will soon be full of bonus talk, but Sally Bibb and Sarah Dudney believe staff should be thinking about their rewards all year round. They explain simple ways to change the way you work and get the type of remuneration returns you want

BY: SALLY BIBBY, SARAH DUDNEY

Once upon a time in the City of London there was a young salesman by the name of Simon, who had worked very hard for the past four years and built a business of European and Middle Eastern clients from scratch. He was thriving in his job, enjoyed his colleagues' company and rarely took calls to explore other opportunities.

One fine autumn day his managing director called. He explained that he was very impressed by Simon's work and his contribution to the business and would like to nominate him for that year's option award, an award which would put him in a unique group of people numbering six or seven out of the entire organisation of well over a hundred. Of course, the managing director explained, there would be, in addition to this, a satisfactory cash reward in this year's bonus too. Simon concluded the call and returned to working on the next slew of client pitches he had organised. He also had to get going on developing on his business pipeline for the second quarter of the following year.

The story above is not fiction. The Simon of our story exists. And he is a great example of the subject matter of this article: how to get a salary increase without even asking.

You will probably agree that this is a

## EXECUTIVE SUMMARY

- A focus on variable pay rather than fixed costs is the bedrock of compensation culture.
- It is important to align your work with your company.
- Understand the relational economy as well as the transactional one.

very topical theme for this time of year and given this point in the market cycle of 2007, the title above may seem counter-intuitive. How can you manage your compensation and your future prospects in the work place when in some corners of the market there are mutters of job losses? This is just one of the issues that is on people's minds as they approach critical salary conversations.

You would be forgiven for thinking that getting a salary increase is a black art. It does not need to be. We show how to do it successfully.

The key is to realise that it is the impact of one's professional and work attitude over the year, as well as some fundamental relationship skills, that make all the difference. This is a cumulative work in progress, not a once-a-year discussion.

Experience of knowing people like Simon and other individuals in the City

also tells us that making an impact is not about frequenting wine bars, golf clubs and the private clubs of Mayfair. Not unless it is accompanied by some other vital activities anyway.

## VARIABLE PAY

Another is the immutable fact of City life today: the strategic importance of variable pay. After the market crash of 2001 firms realised that fixed costs had better stay that way and performance culture, with an emphasis on variable pay, had to be the bedrock of compensation culture. Most salary levels for City executives hover around the £100,000 to £125,000 mark and rarely move above that. Woe betide those foolish souls who push the barrier on that issue. For they forget to consider that at any point in the calendar when the finance director's slide rule moves across their area, they will stand out for their high expense and be judged accordingly.

The one point that many human resources experts and line managers emphasise is the importance of focusing on one's total compensation. Hair splitting on monthly net of tax salary figures is bad for the soul and can lead you down long cul-de-sacs. There is an important point again here about compensation philosophy. You are well advised to focus on the entire package of benefits that you receive and also the

benefits of the work culture which allows you to thrive. That includes annual leave, the option to have a sabbatical, health and dental care, childcare benefits, sponsored further study and academic leave as well as the standard basket of life and pensions benefits. Then there is a long list of financial tools which can be added, at management’s discretion, which we will broadly term deferred compensation.

Let’s return to the specific characteristics of Simon. What is so distinct in his skills and mindset that management call him about his compensation and not the other way round? He would be the first to admit he is not a rocket scientist. He has worked hard for the past four years, and he also demonstrates the following:

- Confident command of his mandate. He also knows every line of data about his own business area and the exact impact of his commercial achievements. He knows where he will be in the firm in two years’ time.
- An awareness of the big picture for the firm in terms of its strategic direction.
- Proactive listening skills. In conversation he is probing when he questions. He is in fact everything a good sales professional needs to be. His questions do not focus on merely content. He asks about meaning (he does not make assumptions, he checks) and value (what is important to others – what do they value). These questions allow him to find out what makes his firm tick and his clients want to sign on the dotted line.
- He demonstrates a high level of intellectual, social and emotional engagement with his work – he is aware of his colleagues, senior, peer

group and juniors. He has empathy and has a good idea of why a 50-year-old will behave quite differently to a 25-year-old. He does not operate in a vacuum and is sensitive to the motives and behaviour of others. He does not see relationships as a means to an end.

- He shows a high level of self efficacy and is accountable for his results.
- Finally, he has a clear work and life balance. He enjoys the hinterland of family to which he can retreat. Work is not the be all and end all for him.

**ALIGNMENT**

In short, he is aligned with his work and his business. He knows what is important to him, what is important to others and makes sure the two match as much as possible. He is clear about what he will compromise on and what he won’t. And, his mindset is one of seeking a win-win in all situations.

The key point about people like Simon, and there are a number of them around, is that they realise that they have to manage the balancing act between the relational economy and the transactional one. Pricing the deal, closing it and moving on makes money but staying focused on that at all costs, loses friends and colleagues and diminishes influence in the long term.

For the cynics among you who have done a bit of ‘yes-butting’ as you read this article, think about who you prefer to give to: the takers or the givers. Simon is a giver. He is successful at his job, he builds great relationships because relationships are important to him and he knows his job inside out. He continues to do all the right things and the money follows! **■**

**PROFILE – FACT BOX**



**Sarah Dudney**

**Career highlights:**

Sarah Dudney is a headhunter for Lockwood Gibb & Associates (rated by The Economist Intelligence Unit for its work in European wealth management search). Previously, she worked for AEGON in Edinburgh, in a strategic planning role.



**Sally Bibb**

**Career highlights:**

Sally Bibb is a founder and director of talentsmoothie, www.talentsmoothie.com, a company that helps organisations to understand, attract, and excite Generation Y. Formerly a director at The Economist Group, she is also a writer and an award winning author of several books, and many articles on the subject of trust and organisational change.

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