

THE PROMOTION: BOSS

Instructional Page | Scenario #1

There is no time limit for this practice negotiation but try to keep it under an hour. Take about 10 minutes to read the following page and make notes about your strategy, questions you want to ask, and so on.

As you head into this negotiation keep in mind that the employee needs to drive this negotiation, don't give up any information, they need to ask for it. If they are talking about salary, don't be afraid to re-negotiate and be tough, ask them questions such as;

- How did you reach that number?
- OR -
- How did you calculate this number?
- Why do you deserve this pay raise?

Be ready to make counteroffers, which should not be the maximum amount but should increase each time.

- Keep in mind that you can say we can re-negotiate your salary after 6 months etc.

Be ready for them to ask for other things besides salary, and don't be afraid to say no. Ultimately you're the boss who makes the final decision, make your decision based on how well they are making the case for themselves.

Feel free to make this scenario your own and ask questions that come naturally to you, since you want to give the negotiator a real experience that they can learn from. **Try to think about how an employer would think, and be as conservative as you can with money. If their first ask is the maximum amount don't initially agree to it, see how low you can get them to go.** This is not meant to be a negative experience it will just give them a great opportunity to practice! So do not be afraid to be tough. But keep in mind you want to eventually come to an agreement that works for everyone.



Checklist
Item
#4

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Situation Description #1

You are the Chief Executive Officer for a major Technology firm: **Techno Inc.** in Denver, CO. You recently promoted a long term employee who has worked their way up in the company. They started as an average employee and quickly impressed the managers so that within three years their title changed to the coordinator and most recently to a manager.

You are excited about this because you and this employee get along, they always get their projects done well and on time, and they give excellent presentations to clients. The only concern you have is that they are not very consistent with their time, they come in different hours and often run late. This hasn't been an issue previously because they always get their work done, but you are a little worried that with all this added responsibility they may struggle.

You checked with Human Resources and despite the title changes they have never actually been promoted and haven't received a significant pay increase. In their previous role they were making **75K annually (net)**. After talking with HR and the leadership committee you are ready to head into a salary negotiation. You are cleared to increase their salary to **110K annually (net)** a **46%** increase from their previous salary, but **they have to ask for it.** (*You cannot go over 110K*)

Before you head into your negotiation the HR manager stops by your office to let you know about a new Computer Design Program at the local college, and they are looking for anyone who may be interested to sign up and be sponsored by the organization, including paid tuition and as an added benefit upon completion of the program get an extra 6 paid vacation days!





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Situation Work Sheet #1

What is the maximum amount you are willing to give to the employee?

\$ _____

What is your ideal amount to give for the promotion?

\$ _____

What else could you offer to the employee besides money?

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

