

Study reveals the secrets to negotiating a higher salary

October 21 2010, By Dave Andrews

A recent study conducted by George Mason University and Temple University researchers uncovered the most effective strategies to negotiating a bigger salary. The study analyzed various approaches to the negotiation process, which methods were the most successful and which ones were more likely to leave both parties satisfied with the outcome.

Michelle Marks, associate professor in Mason's School of Management, and Crystal Harold, assistant professor at Temple University's Fox School of Business, co-authored the study. A sample of newly hired employees in various industry settings participated in the study which showed that those who chose to negotiate increased their starting salaries by an average of \$5,000.

“In today's economic climate, raising your annual [salary](#) is highly uncertain,” Marks said. “However, our study results highlight the significance of effective salary negotiation and why it's important to be upfront with the issues, enabling both parties to consider creative ways to find win-win solutions.”

According to the study, which will soon be published in the *Journal of Organizational Behavior*, the compounding effect of successful salary negotiation can be significant. Assuming an average annual pay increase of five percent, an employee whose starting annual salary was \$55,000 rather than \$50,000 would earn an additional \$600,000+ over the course of a 40-year career.

Five negotiation strategies were examined in the study: Accommodating, Avoiding, Collaborating, Competing and Compromising. Individuals who negotiated by using the Collaborating and Competing strategies—utilizing open discussion of issues and perspectives—showed the best results. In contrast, those who used the Avoiding, Accommodating and Compromising approaches were less successful in negotiating larger salaries.

“While more aggressive negotiation strategies succeeded in raising one's starting salaries, people who used them felt less satisfied with their outcome than did those who used more collaborative approaches,” Marks said. “Those who were overly accommodating ended up feeling the least satisfied and that the process was unfair.”

The study found that men and women were equally likely to negotiate, but that women were less effective at raising their salaries when compared to men. Though women were more likely to have integrative attitudes about negotiation, they were no more inclined to use a particular strategy than men.

"We were surprised to find no differences with respect to how men and women negotiated," Harold said. "Previous research tended to focus on gender differences and the negotiated outcome, assuming that women approached negotiations differently than men and that men were more competitive. Our study found that, although job-seekers approach negotiation differently, negotiation strategy was unrelated to gender."

Non-salary gains, such as vacation time and perks, were also analyzed. More than half of the people polled who chose to negotiate received at least one additional non-salary gain.

Provided by George Mason University

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