

Negotiating Your Worth: How to Ask For and Get What You Deserve

Dr. Melanie Billings-Yun
Senior Partner, Global Resolutions

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However, to avoid negotiating is a costly choice, affecting not just your current living standard, but your entire career path and even retirement plans. A simple example of a one-time negotiation illustrates this vividly. Imagine that you and a friend are given managerial positions in a bank at age 30. You accept the \$60,000 salary offered, while she negotiates a modest 7.5% increase to \$64,500. Initially, that may not seem like a tremendous difference, but let’s look at the long-term impact. Even if your friend *never negotiates again* and, for the rest of your careers, you both receive the same 4% increase per annum that the firm gives all its salaried employees, by the time you retire at 65 your friend is now making \$254,523, while you are earning only \$236,765—a \$17,758 gap, or nearly \$1,500 per month.

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