



Justifying Your Next Promotion

By Sara Graves

For many, understanding what it takes to earn a promotion eludes them. Why do some people seem to receive promotion after promotion, while others stay at the same level for many years? The key is their approach to justifying the promotion. Doing their homework about the company and being able to prove how their input at a higher level benefits their company are the keys to earning the promotion.

The most common mistake people make when they request a promotion is to say that their personal financial situation has changed and, therefore, they need a promotion to help make ends meet. Not only is their personal financial situation not a concern of their employers, but they are also admitting to their employer that they have not been a good manager of their personal finances. This may reflect badly on the employer's perception of how well they will manage the employer's only concern — the company's bottom line.

"When you go into any meeting with a direct supervisor...to talk about moving up in company or getting a raise, your personal life decisions have nothing to do with how you are paid," said Kevin Sturm of Kevin Sturm Consulting, www.kevinsturm.com. "What counts is the bottom line value of what you are bringing to the company."

Another common mistake people make when asking for a promotion or pay increase is to justify the increase by comparing their current salary with similar job titles and salary amounts, such as found on www.salary.com.

A promotion shouldn't be based on what others are making, but rather on what an employee can offer to their company so the company.

Sturm illustrates this principle from his days as a supervisor on his k. sturm blog at <http://kevinsturm.blogspot.com/2007/12/how-promotable-are-you.html>

"I had an employee ask me for a salary increase and promotion with a breakdown of what effect his current salary had on the percentage of gross margin for the department, how his specific performance was increasing company revenue by tracking his revenue performance for 6 months, and that his requested increase would affect less than .1 percent of current gross margin for the department. He then outlined how he would further increase his revenue production, and how the increase would make him feel more valued for his hard work and his job would be more enjoyable." Sturm gave him the promotion immediately "without even getting approval from our CFO."

The ability of this employee to spell out in writing how his

job fit into the department, overall company model and how it affected the company's bottom line is what sold Sturm on the promotion. The employee obviously did his homework to find out what the business model of the company was, how his company made money and how his position and proposed pay increase worked into that overall equation.

"I wish someone would have sat me down and said, 'You need to take the initiative to find out what the margin contribution is,'" Sturm said. "What is the goal margin and how does each person in the company affect that goal margin amount? How does each area of the company and each department contribute to that goal margin?"

Sturm is pointing out here that employees need to be proactive in their current job position to find out how their company is structured, how the company earns its revenue, how their current job position fits into that model and what areas can they improve on, excel in or get further education on to help the company increase its overall profits.

"If a job isn't directly related to profit increase, they may be directly related to cost decreases," Sturm said. "Not every [department] is a *revenue-generating* [department], but all [departments] are *cost-generating* [departments]."

In other words, every employee costs a company something in terms of salary, benefits, taxes, etc., regardless of whether or not that employee directly generates revenue for the company.

Therefore, in order for an employee to justify a raise or promotion, they need to prove in writing to their supervisor, as Sturm's employee did in the example on the opposite page, what they can offer to their company that will help the company create a better product, offer a better service, or create more of both; and thereby, increase the company's profit margin.

If the employee is in a revenue-generating department, such as a sales department, it is easier to quantify the promotion through sales figures, exceeding sales goals, etc. However, for most employees who are not in revenue-generating departments, spelling out in writing how their proposed promotion or raise would affect the company's bottom line may require more consideration.

For instance, if you are working in a technical support department, to earn a promotion or pay increase you must first prove how you contribute to the company's bottom line in your current position, and then prove what effect your promotion/pay increase would have on that bottom line.

You could use call volume figures and computer logs to justify your current worth as an employee. Let's say, for example, you are the leader of your group in call volume. You would write that down in your proposal. Or, if your department exceeded goals for the month or year, add that too.

Then you would need to show how your promotion or pay increase would affect the company's overall profits and/or productivity. To justify that promotion/pay increase, you might agree (in writing) to increase your call volume/computer inputting as well as taking on additional duties in the department.

Taking it a step further, you could then show how by accepting such increased volumes and job responsibilities, you could then eliminate the need for the company to hire the additional employee that your supervisor may have been considering. And by eliminating the need for the additional employee, you've created that quantifiable justification of the

promotion or pay increase. The cost of your promotion or pay increase will most likely be far less than the cost of a new employee would, which would decrease employee costs for the company and increase the company's profit margin.

The important thing to remember, Sturm warns, is to prove *what more* you plan to bring to your company, not how your current job duties warrant a pay increase — unless your current job duties *far* exceed your original job description.

"You have to be careful though that your supervisor doesn't say, 'Why aren't you doing these things now?'" Sturm says. "It's a balancing act. You are being paid for what you are doing in your job description [now]. If you are asking to be paid more to do your current job description, then the answer will always be 'no.'"

"I believe if employees view their job description as, 'My job is to recognize it is important to increase revenue opportunities every day, deliver great customer satisfaction at every touch point, and make my workplace a more enjoyable place for me and everyone around me every day,' many people would find their jobs much more rewarding," Sturm said.

"People who view their job description this way, get promoted. That I promise." **R&NG**

"Job descriptions generally exist so employees can tell their manager what they don't want to do."

— Kevin Sturm, Kevin Sturm Consulting

