



Activity:

Income & Skills Assessment

This activity is designed to guide your research into where you stand in terms of compensation and skill levels in the job market for your current position. Use this information to evaluate steps you may take to increase your earning potential.

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Follow the steps below and fill in the form to research and document where you currently stand in terms of your value in the job market.

Finding Out Where You Stand in the Current Job Market

Here's a helpful exercise you can do to determine your worth in your current job position, see how you compare with your professional peers, and formulate a plan to reach the top of your profession and thereby maximize your income.

Step 1 – Research the Compensation for Your Job

Through websites such as Salary.com and Glassdoor.com, you can easily find out what people are paid to do the job you're currently doing. Salary.com will even give you a high, low, and average salary for the specific area of the country where you work.

Write the numbers down so you don't forget them and can refer to them later. (What if, down the road a bit, your boss offered you a raise to \$75,000 a year? Wouldn't it be helpful to know whether \$75k is pretty much the top-end salary anyone with your job title makes? – Or, alternatively, to know that it's nowhere near the top, and that plenty of people doing your job make a lot more? So write those numbers down, because later on you don't want to be trying to remember whether \$75k was the average or the high figure.)

Write down the "Low," "Average," and "High" of the salary range, and then write in your current salary wherever it falls on that scale.

You might go a step further and check the salary range for your job in different areas of the country. That will give you an idea whether you live in an area where your skills are in high demand.

Low Salary _____

Average Salary _____

High Salary _____



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Step 2 – Check Your Skill Set Against that of Your Peers

The next step in evaluating your position in the job market is to check your skill set against the skills held by others with the same job title.

The easiest way to do this, once again, is through online research. In addition to Salary.com and Glassdoor.com, thebalancecareers.com offers detailed information on the skills required for various jobs. For example, for the job of Financial Analyst, it describes the primary skills needed as accounting skills, analytical thought, technical skills, and written and verbal communication skills. It goes further to identify key skills within each category, such as “creating financial models in Excel” under the “technical skills” category.

You can create a simple checklist of skills, noting whether you already have each skill, or need to acquire (or improve) it.

- | | | |
|---------|---------------------------------|---------------------------------|
| Skill 1 | <input type="radio"/> I Have It | <input type="radio"/> I Need It |
| Skill 2 | <input type="radio"/> I Have It | <input type="radio"/> I Need It |
| Skill 3 | <input type="radio"/> I Have It | <input type="radio"/> I Need It |

and so on...

Here's an easy sample worksheet:

- | | | |
|----------------|-----------|-----------|
| Skill 1 _____ | I Have It | I Need It |
| Skill 2 _____ | I Have It | I Need It |
| Skill 3 _____ | I Have It | I Need It |
| Skill 4 _____ | I Have It | I Need It |
| Skill 5 _____ | I Have It | I Need It |
| Skill 6 _____ | I Have It | I Need It |
| Skill 7 _____ | I Have It | I Need It |
| Skill 8 _____ | I Have It | I Need It |
| Skill 9 _____ | I Have It | I Need It |
| Skill 10 _____ | I Have It | I Need It |

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Prioritize the list, putting the most important skills first. For each skill you list, circle “I Have It” or “I Need It.” When you’re done, a quick glance at your list should be sufficient to tell you whether or not you’re among the most skilled individuals holding your job title.

Don’t forget to include educational and professional credentials as part of your skills list.

Next, make note of the most important “I Need It” skills that you can work on improving through additional formal education, online learning, or on-the-job training.



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Step 3 – Set a New Salary Goal and Outline How to Attain It

The goal is to identify where you stand in the job market for your current position so that you can maximize your income. Having assessed your salary position and skill set, you can now apply your efforts in one of three directions:

If you're already at the "top of the food chain" salary-wise, making very near the high-end salary for your job title, the best way to increase your income may be to look toward getting a promotion to a position that offers significantly higher compensation. In that case, it's time to look at available moves up the corporate ladder and re-examine your skill set to see how ready you are – or how to get yourself ready – to transition to a new, higher-paying job.

If you're on the high end of the skills list, but more toward the lower end in salary, you may want to think about putting together a plan to ask for a raise. Come to such a meeting armed with your research, so that, for example, you can confidently state that, "I'm being paid \$10,000 a year below what the average (job title) makes in this area of the country – but, in fact, I've got more skills than most people in this business." (Be prepared to provide details.)

If you find that you're in the upper salary range but low on the skill set list, be thankful for the moment that you're being overpaid. Your next wise move is likely to begin working diligently to raise your skill level to match your income level, and hope that in the meantime your boss doesn't realize how much he's overcompensating you.

The knowledge you obtain by thoroughly researching your job and its corresponding skill sets will put you ahead of many of your peers, just by giving you a clear picture of exactly where you stand in the job market. Having a firm grasp of your value as an employee, and specifically what makes you valuable, is the first big step toward ensuring that you're properly compensated for what you bring to the table.