

# Salary negotiation and employment agreements

Below are some tips you may want to consider to help you negotiate a salary offer with an employer.

## Do your Research

Complete research prior to attending an interview. A good place to begin is to research what the average starting salary is for similar jobs for someone with similar level of qualifications and experience to you. It is also helpful to consider the cost of living in the city and/or country you will be working in, the business climate, who the hiring manager is, the financial status of the organisation, and applicant factors (your skills, knowledge and experience). All these factors can influence salary levels offered.

## Sources of salary Information: New Zealand

Common sources of salary information include:

- The latest UC Graduate Destinations Survey: [www.canterbury.ac.nz/careers/students/graduate-destination-survey/](http://www.canterbury.ac.nz/careers/students/graduate-destination-survey/)
- Recruitment agencies, e.g. Hays Recruitment Specialists' most recent salary survey: [www.hays.net.nz/salary-guide/index.htm](http://www.hays.net.nz/salary-guide/index.htm)
- Careers NZ ([www.careers.govt.nz](http://www.careers.govt.nz)) who have information on salary/wage levels and employment trends in their 'Jobs database' section.
- Trade Me's salary guide section: [www.trademe.co.nz/jobs/salary-guide](http://www.trademe.co.nz/jobs/salary-guide)
- Professional associations and unions representing your particular sector.
- Employers, who will give salary information at the appropriate stage of the recruitment process.

## Know yourself

Alongside your research into salary information, consider the position from a broader perspective. Your salary level is likely to be one factor in your level of job satisfaction. Think about:

- Will this job offer me good experience as a graduate?
- Is this position in my field of interest?
- Will I gain valuable skills, knowledge and experience that will help me progress and enhance my career options?
- Does this job reflect my values and what I need and want from work?

## Additional benefits

Consider what additional perks and benefits an employer can offer you alongside your salary, as these could be worth as much as +25% of your salary. An employment package may include one and/or several of these benefits (or other benefits not listed):

- Vehicle use and/or subsidised parking
- Support for study costs or study leave
- Flexi-time
- Healthcare
- Gym access/exercise programmes or gym membership subsidy
- Bonus provisions, such as above-average sick leave
- Other onsite services e.g. childcare/dry cleaning
- Clothing allowance
- Performance bonus and/or company shares
- Superannuation

## Be realistic

The job interview process is a two-way assessment for both you and the employer to determine your value and fit to the organisation. The employer is interested in what you can do for them, as you are interested in what that job can do for you. While gaining a degree offers you a broad range of knowledge and skills to an employer, you may have had minimal experience in the field of work you are going into. Therefore if setting a minimum salary level you are willing to accept, be realistic.

## Salary negotiation with an employer

Unless you absolutely have to, try not to bring up salary at a job interview for two reasons. Once a job offer has been made you are in a stronger position to negotiate your overall salary level and employment conditions. Secondly, clarifying the employers' expectations of you first will help you be very clear as to what you have to deliver on in the work environment and will help you contextualise the offer they may make you. Therefore if asked the question "What do you want to be paid for this position?" politely explain to the employer that until you have been offered the job you believe it is premature to discuss your salary expectations. If you choose to respond to this question, you can state that your salary level is negotiable and you expect to earn market value given your education/experience.

## Employment agreements

Employment agreements outline the terms and conditions of employment and must be in writing. Before signing an agreement, the employer will

provide you time, typically a couple of days to consider and review the contract. It is important to thoroughly read and ensure you understand the content and discuss any areas of concern with an expert who is knowledgeable with employment contracts.

Additionally when reviewing your employment agreement it is helpful to consider the whole employment package being offered to evaluate and ensure a fair offer is being made. Being able to identify what is important to you as part of your employment is helpful to be able to negotiate any terms and conditions of the contract. To be able to negotiate aspects of your agreement a case needs to be built and communicated professionally to assist an employer in understanding the grounds for your request.

As part of your overall employment agreement negotiation, now is the time to negotiate your salary if necessary. If you are unsure about the salary figure you have been offered ask questions such as:

- What is the salary range for this position?
- How did you determine the salary figure you are offering me within that range?

If you then choose to state a different figure to the one they have offered, make sure you have the evidence to back up why you think you are worth that amount. Make sure you have reflected on your unique attributes, marketable assets, strengths, skills, and experience you have to offer.

Providing evidence of your accomplishments and having conducted research on current market salary levels in your industry area/sector will place you in a stronger position where in a professional and courteous manner you can negotiate for the best possible outcome for you and your employer. Aim to ensure it is a 'win-win' situation for you and your employer. Keep perspective on what is fair and realistic. Be flexible, open minded and willing to compromise.

Finally, with employment agreement negotiation, ensure you have a written copy, take time to consider the offer, and do not hesitate to clarify any questions you have on your employment contract directly with the employer.

If you have any questions or concerns about your employment agreement, these organisations may be able to assist:

- Employment New Zealand: [www.employment.govt.nz/starting-employment/employment-agreements/](http://www.employment.govt.nz/starting-employment/employment-agreements/)
- Community Law Canterbury, who offer free legal advice, including on employment agreements: [www.canlaw.org.nz](http://www.canlaw.org.nz)
- The union or professional body associated with your industry/profession