



Finance columnist
AMANDA MORRALL

Ask the expert

SALARY NEGOTIATIONS



We've partnered with New Zealand's low-fee, non-profit KiwiSaver provider Simplicity NZ, and ask co-founder and financial commentator Amanda Morrall why it's so crucial to negotiate

I've been offered a job!

Should I negotiate the pay?

One hundred percent! One of the biggest mistakes women make is not researching what they should get paid. That's particularly true if it's your first job. Many young women feel so lucky to get an offer that what they get paid is almost an afterthought.

It's critical you get paid commensurate with your worth and value. Find out what other comparable roles at similar companies pay, in accordance with experience and/or education. Online job marketplace SEEK has some good information in this area.

Why is it important to negotiate?

If you undervalue yourself from day one, getting paid what you're worth can take years because you're starting from a lower base. Not only will you have less take-home pay, which makes living harder, but you'll also have lower long-term savings as a result.

This means your KiwiSaver account will be growing slower than it needs to and you'll have less saved for a first home deposit too, if that's your intention in KiwiSaver.

It can also be professionally damaging not to be more assertive generally. If you don't value yourself, others won't either. Women tend to believe that if they work really hard, they'll be rewarded for it in pay and/or promotions. Research has shown that this is not the case. Men get paid more not because they are better necessarily, but because they are more confident asking for what they feel they're worth.

What are your top tips for approaching negotiations?

Arm yourself with facts and confidence. Don't get emotional. It's vital to get the tone right too. No one likes a bully, so refine your diplomatic skills and understand what the end game is for you. Don't just accept the first offer, but counter and recounter till you get what you want.

Knowing ahead of time what you want will also shape the conversations along the way. That's particularly true if you

have specialised knowledge or skills. Scarcity creates higher value. Be respectful of your employer's financial position too. You may think you're worth a million bucks, but if they can't pay for you and you won't bend, you're kind of stuffed in the absence of a better job.

Are there any other key considerations?

Some would argue money is everything, but I believe in taking a more holistic approach. The obvious questions to ask are around holidays, work hours and location, maternity leave policies (if that's on the cards)

and employer KiwiSaver contributions. The minimum employer contribution is three percent of (before tax) salary, but many offer more than that now. Some

employers like Simplicity – a nonprofit KiwiSaver provider – with its 10 percent employer contribution, should be considered alongside net pay. KiwiSaver contributions

should be negotiated when you start. It will be fixed for many employers, but you should be clear from the start what the whole package includes. A lot of working mums put a premium on workplace flexibility, so it's worth understanding that one from the start too.

The offer is still too low. How can I politely ask for more money?

Everyone should know what their bottom line is. If yours is not met, then the job is not the right one for you. Living costs in New Zealand are incredibly high, so people have to be realistic about their ability to pay their rent, mortgage, buy food etc. Not many can afford to float without a job but if you can, getting the right fit is worth it. You spend a lot of time at work!

Is there anything else I need to keep in mind?

Do your research, work on your confidence. Seek out valuable mentors who have proven themselves and who you see as role models. Strong women help lift others up. Avoid those who lift the ladder up behind them.

'KiwiSaver contributions should be negotiated when you start'