MEDIA ALERT

More than 1 in 4 New Zealand workers can expect a pay rise in 2018

- 96% of New Zealand managers plan to attribute salary increases to an average of 27% of their staff in 2018, with the average salary increase for New Zealand office workers expected to be 8%.
- The main reason why New Zealand employees will not receive a pay rise: Salaries are already at market rate (73%), lack of financial resources/cost reduction (36%) and underperforming employees/teams (36%).

Auckland, 28 February 2018 – Despite New Zealand's low wage growth of 1.9% in the September 2017 quarter[1], new independent research commissioned by specialised recruiter Robert Half reveals that the majority (96%) of New Zealand general hiring managers still plan to attribute salary increases to an average of 27% of their staff in 2018, with the average salary increase for those New Zealand employees expected to be 8% - which is significantly higher than the national wage growth average.

Megan Alexander, General Manager of Robert Half New Zealand said: *"Salary is a key incentive to any employee and many employers understand that awarding pay rises to their top performers is a crucial measure to avoid high staff turnover. While New Zealand workers have had to contend with slow wage growth for quite some time now, many highly skilled professionals are acutely aware of their market value and more likely to leave the organisation if they are offered a more attractive remuneration package elsewhere."*

Of those New Zealand managers who are not planning to award salary increases, 73% say the main reason is their staff's salaries are already at market rate, and 36% respectively refer to a lack of financial resources or cost reduction, and underperforming staff.

"While there are organisations that do not have the financial resources to offer salary increases, employers need to recognise there are workplace incentives other than financial rewards. Even though salary is still the most attractive element of a remuneration package for many employees, other benefits, such as flexible work hours, additional leave and professional development opportunities are increasingly in demand and an efficient way for companies to reward staff whilst not increasing pay."

Here are four tips for asking for a pay rise:

"The first step to successfully securing a pay increase is to be prepared. Employees should take the time to build a strong case and be ready to remove any doubts their boss may have," **Megan Alexander** added.

1. Know the best time to ask

Timing is everything when it comes to asking for a raise. Often a good time to broach the subject is just after your annual performance review. Sitting down with your manager and reviewing all your recent accomplishments will reinforce the value you bring to the company and help justify your request for a raise. Other than performance reviews, another opportune time is after finishing a big project, so it can be clearly communicated why you are worth the additional pay.

Never spring the topic on your boss – schedule a time to discuss the potential for a raise so he or she can be equally prepared for the conversation.

2. Have solid reasons for requesting a raise

The reasons for asking for a pay raise need to go beyond purely lifestyle motivators, such as wanting more money so you can travel, buying new clothes or paying off student loans.

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[1] New Zealand Stats, 2017, Labour Market Statistics

Give your boss concrete examples of why you deserve a higher salary, such as how your actions have benefitted the company and what the results of your efforts are. If you can prove your impact on the business's bottom line, the conversation will go much smoother.

3. **Know what you're worth**

Your skills and experience have value in the employment market. To find out what common salary ranges are for your position, read industry publications such as the Robert Half Salary Guide, or consult recruiters and colleagues in your field. Measuring your salary against industry standards will help you gauge how much extra pay you might be entitled to.

4. **Consider asking for benefits**

Sometimes, companies may not be in a financial position to raise salaries and even after all your best attempts, your manager may still say, "We don’t have the money right now”, so try not to be disheartened. The conversation doesn't necessarily need to end if you have a back-up plan and by asking for additional benefits that don’t require a budget such flexible working arrangements, additional annual leave or professional development opportunities.

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Notes to editors

About the research

The annual study is developed by Robert Half and was conducted in December 2017 by an independent research firm, surveying 300 hiring managers in New Zealand. This survey is part of the international workplace survey, a questionnaire about job trends, talent management and trends in the workplace.

About Robert Half

Robert Half is the world’s first and largest specialised recruitment consultancy and member of the S&P 500. Founded in 1948, the company has more than 300 offices worldwide providing temporary, interim and permanent recruitment solutions for accounting, finance and technology in New Zealand. More information on roberthalf.co.nz.

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