

# All rise

Employers have kept salaries down after the GFC but that is all about to change, writes **Sue White**.

**A**fter a break from the world of annual reports, tenders and brochure writing, corporate writer Jenny Butler\* came very close to falling into a payday trap.

"I had been off doing creative projects for a couple of years but recently I decided to step back into corporate writing," she says. "I thought I knew my earning capacity."

A chance chat with a colleague before an interview made her realise the 2009 hourly rate she had in mind was past its due date.

"I discovered I could charge about 20 per cent more," she says. "At first I didn't believe it but my colleague assured me of the current going rate. When I was asked in the interview, I just quoted that."

To her elation, the employer didn't bat an eyelid and the contract was hers. While Butler's 20 per cent leap is an obvious windfall, according to the 2011 Hays Salary Guide, pay rises may soon be back on the agenda.

"We found there's a very positive outlook in terms of businesses about activity in the next 12 months. But over the past 12 months salaries have held very steady," says the director of Hays, New South Wales and the ACT, Grahame Doyle.

While that is not surprising, given the scare of the global financial crisis is still recent for some employers, Doyle believes employers need to be realistic.

"We see employers trying to hold salaries down below 3 per cent [for the coming year]. Ninety-four per cent have held salary increases below 6 per cent over the last 12 months. You've got to question how that can happen ... in a market where business conditions are improving, activity is likely to increase and we're already at full employment, particularly in skilled and white-collar roles," he says.

The problem for employers when the market is buoyant, is that



Sign of the times ... now could be right to ask for a pay rise. Photo: iStock

those wanting new staff effectively have to poach them from somewhere else.

"The more that can be built into a total package is important but there's no doubt a primary driver for people is, 'How much am I taking home at the end of the week?'" Doyle says.

But while the market may be pointing to pay rises on the horizon, many people who are keen to move now are finding employers unwilling to budge.

"Candidates out there are developing expectations for themselves that they'll get a wage increase with a new job but

employers aren't necessarily willing," Doyle says. "It's a stand off at the moment but it will eventually be won by the candidate."

Job seekers in some fields are already ahead of the game.

"In the IT sector we're seeing candidates pushing back and electing to work on contract; they're not accepting permanent salaries, which are significantly less," Doyle says. "The power of the decision is sitting with the employees."

For those who feel their time is due, Peter Acheson, the chief executive of Peoplebank, Australia's largest IT recruiter, has a number of tips for those keen on a pay rise.

"First, you need to put forward a business case for why you want, need or deserve a pay rise," Acheson says. "Try to look at the employer's point of view – and put forward anything that supports the argument that it's in their best interests to do so."

Once you are armed with the facts, the key may lie in how you compose yourself.

"Keep your request factual. There's no need to mount an emotional argument, that just confuses the issue.

"Make sure you listen to your

boss's response. People tend to become so nervous about asking, they can shut down after the request is made and miss out on valuable feedback."

Doyle agrees it is important to quantify the value you are adding to your organisation.

"You can look at where workloads have increased, or the complexity of the role has increased and combine that with data about what's happening in the market," he says. "If you find yourself behind your peer group, I think that gives them a compelling case."

It worked for Butler. "I know I'm an excellent candidate who can provide plenty of value to my employer," she says. "Yes, the process was confronting but that was only temporary. Now, I'm so glad I asked around and trusted what the market was telling me."

\*Name changed

LINK

2011 Hays Salary Guide: [hays.com.au/salary](http://hays.com.au/salary)

**MyCareer**  
.com.au

Are you asking for a pay rise? Tell us at [mycareer.com.au/vote](http://mycareer.com.au/vote).

## WHY YOU SHOULD ASK

- If you don't ask, you don't get.
- The boss does not know you want one.
- The manager may give the rise to someone else.
- Asking is a standard part of working life.
- Some managers can automatically grant rises of up to 10 per cent.

- It presents a natural opportunity to sell your achievements and to progress your career.
- If you have not had an honest discussion about your pay, you will never know your potential to increase it.
- Managers generally oil the squeaky wheel.

- You can't assume your manager is on top of what you should be paid.



From *How to Get a Pay Rise* by Medine Simmons and Merry! Naughton (Hardie Grant).  
[howtogetapayrise.com](http://howtogetapayrise.com)