



Ten Tips:

## Negotiating Fair Wages & Benefits

Merriam Webster defines “negotiate” as to “to arrange for or bring about through conference, discussion, and compromise.” Nannies are often uncomfortable and insecure when negotiating a fair wage and benefit package with a future employer.

The tips below include suggestions and thinking points to insure you are comfortable in your eventual agreement with your employer.

### 1. Preparation

Know your worth! Preparation includes an honest assessment of several factors including your skills, experience, and education, as well as local market conditions. Inquire locally as to what other nannies in similar circumstances (number and ages of children, hours, duties, matching skills, experience and education) are commanding. Nanny agencies are often a good source of this information. Local nanny support groups are another good resource. Remember, your local market is the biggest contributing factor in what your future employer is likely to agree to. Your house payment or car payment are not material. Your future employer will certainly be testing local market conditions with their colleagues and neighbors also.

### 2. Address your “Issues”

Study after study has shown that women negotiate less forcefully and less successfully than men. The psychological and social factors that influence this are the subject of countless books and self-help programs. Worse yet, many women will settle for less than they are worth because they are afraid to negotiate at all or afraid they might lose the offer. Rest assured; your future employer is likely VERY accustomed to negotiation. When you approach them respectfully and with well thought out requirements you will be shocked at just how receptive they can be.

**TIP:** Should the employer give you a “take it or leave it” offer you may want to consider carefully. IS it a fair offer? You will rarely lose an offer by negotiating, but you can lose an offer with greed. Or is this merely an employer negotiating tactic designed to make you feel powerless? A best and final offer is perfectly fine, you just want to be sure you can be heard and respected.

### 3. It’s a Package

Salary and benefits are a package deal that will be assigned a monetary value. You will want to be sure you put them all on the table together. Always negotiate a [GROSS wage](#) – to find your NET or take home use a [tax calculator](#) in advance.

### 4. Paid Time Off

Vacation, holidays and sick time should be part of this conversation. It is common for an employer to offer the full-time nanny 2 weeks of paid vacation – one to coincide with your employer’s vacation schedule, a few sick days, and 8 – 10 paid holidays. Very few employers pay ALL Federal holidays – they often must work some of those days themselves! If you wish specific days off for religious or other holidays (Good Friday, Jewish or Muslim holy days) make sure this is communicated clearly.

## 5. Health Care

Many full-time nannies negotiate and receive employer support for some or all of their medical insurance policy. Know what a policy will cost before you enter the negotiations – this removes ambiguity when talking to your employer.

**The Affordable Care Act has changed traditional ways families help with your insurance cost.** The policy must be purchased by the employer on the SHOP exchange, and the employer must pay at least 50% of the premium to be a tax-free benefit. Otherwise, any other money an employer provides you to help pay your insurance premiums must be declared as income and is taxable to you and your employer.

## 6. Salary or Wage

Legally nannies are hourly employees and live out nannies who work more than 40 hours (the norm) are entitled to 150% of their hourly wage for hours worked over 40 in a week (time and one half). This math can get complicated, yet it is vital that you prepare for this so you have a basis for the occasional additional hours that most nannies will be asked to work from time to time.

**TIP:** HomeWork Solutions has an [Hourly Rate Calculator](#) online at HomeWorkSolutions.com. If for example you wish to be paid \$750 for a 45 hour work week, this calculator will translate your regular and overtime rates for you!

## 7. Guaranteed Base

Many families take more vacation than they offer their nanny. That's fine, you just want to make sure you negotiate to be paid a minimum base for every day/week that you are available to work, even times when the family has other plans and doesn't need you. The calculator tool above will help you with that language for your work agreement.

## 8. Work Agreement

The experts agree – get it in writing. There are many templates for a nanny work agreement online, including at [HomeWorkSolutions.com](#). This isn't a trust issue (okay, so maybe sometimes it is!). Even the best-intentioned employers and nannies can misremember details that they agreed to. The work agreement gives you a document you can refer to when either party is uncertain, or even mistaken.

## 9. Consider a Time Out

Negotiations sometimes hit an impasse. Asking for a day to consider the offer is perfectly fine. You can also suggest that the employer making the offer do the same. "I am encouraged with our discussions. I am really hoping for xx – how about we both sleep on it and talk to each other tomorrow morning?" (Acknowledge, reiterate, time out.)

## 10. Bottom Line

Absolutely negotiate! This isn't personal, it's your livelihood. Don't be afraid to ask questions. Be prepared with reasonable expectations and always remain respectful!