



Calculating Your Pay Rate is important to determine if the amount of money you are making based on the amount of hours you put in is meeting your earning goals. This number can be just as important, if not more important, than your actual pay

Step 1: Determining Hours Worked

It is important to determine the amount of hours you work during a given amount of time in order to determine your pay rate. This is because your salary or your take home pay will be divided against this number to create your pay rate. If you work standard hours of 9 to 5, then this number of hours worked will be easy to calculate because it will be either 35 or 40 hrs. However, if you don't work such hours, this won't work. You can either keep a log of your hours and divide that against the number of hours logged, or you can make a rough estimation of hours worked by logging your hours for a few weeks and then averaging that number which you will then multiply by 52.. (the number of weeks in a year.)

Step 2: Determining Your Pay

Besides calculating your hours worked, the other important number that you need to determine is your pay. Once again, if you are working a salaried job with a set weekly, biweekly, monthly or annual salary, this number is easy to figure out. For example, if you are paid a fixed amount biweekly, simply multiply this amount by 26. If you are paid monthly, multiply by 12. However, some jobs do not pay set wages. If this is the case, the best option is to meticulously log your pay throughout the year, keeping accurate records by pay earned per day, per week or per month. Another option is to get a rough estimate of your pay over time by tracking your pay for a few weeks, calculating a weekly average and then multiplying this number by 52.

Step 3: Calculating Your Pay Rate

Once you have the two crucial numbers, hours worked and pay, you can now calculate your pay rate. Simply divide your pay by your hours worked. This will determine your hourly pay rate. To figure out your daily pay rate, simply multiply this total by eight, the typical number of hours worked in a day. To calculate the weekly rate, multiply by 40 (hrs). To calculate annually, multiply by 40 (hours) and then by 52 (weeks). Understand that if you estimated your hours worked, your pay or both, your pay rate will not be completely accurate.

Resource:

Learn More on Calculating Your Rate

How Do I Calculate My Pay Rate? | eHow.com

http://www.ehow.com/way_5402382_do-calculate-pay-rate.html#ixzz1WF7YZwcD