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CareerSmart Advisor™

Strategies & Solutions for Your Career Success

A Note From Dave

Many of the senior executives I talk to are aware of age discrimination in the job market, and, unfortunately, a portion have experienced it first-hand. The issue became a concern to me at 48 when I was in the process of trying to figure out what my next gig was going to be. It took me more than six months before it started to dawn on me that my age was an issue.

Our anecdotal and scientific research reveals a couple of things regarding the topic: age discrimination is alive and well; and while it usually takes longer (the 35-year-old ends up getting about twice as many interviews as the 50-year-olds), it is not insurmountable. Once one starts to realize that the skills and experience you have acquired over time is simply not readily available elsewhere, you have a unique selling proposition that is really worth a great deal. What you bring to the party is maturity, experience and judgment that has been gained out there in the marketplace.

Said differently, you aren't going to get past someone's age bias if you approach your search with an attitude that telegraphs, "I know I'm older, probably overqualified, and would really rather be retiring than reinventing myself."

What does convince (at nearly any age) is projecting energy, commitment and genuine interest in the opportunity at hand. An up-to-date shirt, good grooming and eye glasses from this century don't hurt either.

I invite you to comment on this discussion or any others you're encountering at *Six-Figure Learnings* (http://www.execunet.com/davesblog) or e-mail me directly: dopton@execunet.com

Sincerely,

Dave

Dave Opton
Founder & CEO
ExecuNet

Confidently Negotiate Compensation

By Marji McClure

You have made it through the beginning interview stages and things are going well in your communications with the company you hope to call your employer very soon. But you are about to enter perhaps the most challenging facet of the interviewing experience — compensation negotiations. All indications from various reports and surveys these days suggest that the compensation package you seek — and eventually receive — will be satisfactory (to both you and the employer).

Even though an upcoming ExecuNet report found that nearly 60 percent of executives felt they weren't equitably compensated, money was not the primary reason for job dissatisfaction. However, the research found that compensation is the chief driver behind accepting a new position and the number one reason for rejecting a job offer.

According to salary.com, 2006 may continue a trend of increasing salaries in recent years. The compensation data service provider says that because organizations as a whole are bolstering their focus on employee retention, they will be more likely to offer performance-based incentives and earlier bonuses as well as larger overall salaries.

Looking Up

Salaries for 2005 were slightly higher than 2004, according to the August 2005 Chief Executive Total Cash Compensation Index by ERI Economic Research Institute and CareerJournal.com. According to the index, the average base salary for the highest-paid executives was $1,246,050 in 2005, up .55 percent from $1,239,217 in 2004. In addition, these executives received an average increase of 11.42 percent in their annual cash bonuses to $2,400,971 in 2005.

Total cash compensation rose an average of 7.45 percent to $3,647,021 in 2005. And the February 2006 edition of the index revealed even more positive statistics — total cash compensation for highest-paid executives reached $3,863,141, its highest level since 9/11 — and a 5.74 percent increase over 2005 levels. (The previous high was $3,683,131, recorded in September 2001.)

Salaries also increased from 2003 to 2004, according to Equilar's study of S&P 500 CEO Total Direct Compensation (TDC). The study

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FastTrack Programs — February 2006 Hosted by Dave Opton, founder and CEO, ExecuNet

2/21 — **Winning Interviews: Converse, Connect, Convince** — Judy Rosemarin

2/22 — **Establishing Real Relationships With Recruiters** — David Dart

2/23 — **Seven Steps To A Great Executive Resume** — Louise Kursmark

2/28 — **Challenge Ready Farm Teams** — Karen Armon

2/28 — **Branding Yourself In A Buyer's Market** — Nick Papadopoulos

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2/21 — **Cleveland** — Rick Taylor

2/21 — **Washington, DC Sr. Executive Roundtable** — Peter McCarthy

2/21 — **Irvine, CA (Orange County)** — Mark James

2/21 — **Hartford** — Howard S. Bader

2/21 — **Houston** — Cecelia Rose

2/21 — **Wilmington, DE** — Russ Dunn & Rick Hays

2/22 — **Denver** — Karen Armon

2/22 — **Toronto** — Martin Buckland

2/23 — **Palo Alto, CA** — Linda Holroyd

2/23 — **Atlanta** — J. Patrick Haly

2/23 — **Columbus, OH** — Janine Moon

2/23 — **Dallas** — Bob Hueglin

2/24 — **Seattle Sr. Executive Roundtable** — Susan Stringer

2/24 — **St. Louis** — Jim Clarkson

2/24 — **Detroit Sr. Executive Roundtable** — Marge Larsen

2/27 — **Orlando** — Gina Hall

2/27 — **Raleigh/Durham** — Stuart Levine

2/28 — **Chicago** — Melody Camp

3/1 — **Cincinnati** — Louise Kursmark & Mike Lynch

3/1 — **New York City** — Judy Rosemarin

3/1 — **New York City Sr. Roundtable** — Judy Rosemarin

3/1 — **Greater Kansas City** — Meg Montford

3/7 — **San Diego** — Mark James & Rob Vickery

Registration information can be found at members.execunet.com/e_network_results.cfm

:: Noteworthy

Where the Grass (and the Money) May Be Greener

By Robyn Greenspan

The just-released US Labor Department's National Compensation Survey found the San Francisco Bay Area to lead the nation in wages, earning 17 percent more than the national average.

High wages in Silicon Valley are an indication of a technology rebound; but there is a distinct difference between now and the late 90s when the Internet bubble was inflating — this time there is legitimacy to the surge: total online spending (including travel) for 2005 reached $143.2 billion, up 22 percent over the $117.2 billion spent online in 2004.

Of course, e-commerce is not contained to Silicon Valley; and the tech industry is not solely responsible for the area's rise in wages, but the upward movements are good signs.

A number of metro areas in the Northeast also topped the high pay list, closely followed by Anchorage, Alaska.

Some of the top-earning locales — particularly the Bay Area and metro New York City — are also among the places in the country with the highest cost of living.

To maintain the same standard of living, an executive earning $200,000 per year in Cleveland would have to make $332,622 in San Francisco, where it is 66.3 percent more expensive to live.

On the flip side, someone earning $200,000 in San Jose, California could tolerate a 45.2 percent pay reduction ($109,514) to move to Providence, Rhode Island. [Cost-of-living calculations from: bestplaces.net]

When evaluating positions that involve relocation, cost-of-living factors should weigh heavily into the negotiation. What's the point of making more money if it costs exponentially more to live in a new geographic area? ■

Metropolitan Areas with the Highest Pay for Management, Business and Financial Occupations

United States	**100**
Anchorage, AK	110
Boston-Worcester-Lawrence, MA-NH-ME-CT	110
Charleston-North Charleston, SC	105
Hartford, CT	107
Houston-Galveston-Brazoria, TX	107
Los Angeles-Riverside-Orange County, CA	108
New York-Northern New Jersey-Long Island, NY-NJ-CT-PA	111
Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD	107
Reading, PA	108
Sacramento-Yolo, CA	106
Salinas, CA	108
San Diego, CA	109
San Francisco-Oakland-San Jose, CA	117
York, PA	106

National Average = 100. For example, 117 = 17 percent above average. (Full details: http://www.bls.gov/news.release/ncspay.t01.htm)

To prepare for sustained growth in the executive employment market, search firms are reporting plans to hire additional professional staff, and they have already begun adding employees to their firms at record levels.

Search Firms Hiring Professional Staff

2005	Those Who Plan to Hire in Next 3 Months	Those Who Hired in Last 3 Months
October	49%	26%
November	56%	38%
December	60%	44% (record high)

Source: *ExecuNet Recruiter Confidence Index*

Your Career Advisor

Build Your Farm Team and Reduce the Impact of a Wandering Class of Leader

By Karen Armon

> Our future top leaders still believe they are entitled to have the same level of engagement and reward that they experienced in the fleeting Internet boom.

During the Internet boom, Alan Greenspan identified this economic era by labeling its euphoric behavior "irrational exuberance." The term defined the mood of optimistic investments and rewards realized in startup companies with non-existent or weak business models. Irrational exuberance also identified something deep within the psyche that embedded itself in our next generation of leaders. It identified a set of values that were internalized by many who were given great responsibility, authority and empowerment beyond their actual life experiences.

Morris Massey identified this phenomenon a decade earlier, postulating that values are formed when a "significant emotional event" occurs. One of the first major events that everyone experiences within our value system is when we begin to see the world as larger than our circle of family and friends, primarily at the age of 10. Massey also states that other significant emotional events, such as a divorce or our first job, continue to mold our values throughout our lifetimes, changing our internal compasses each time.

Irrational exuberance also reveals great insight into our next generation of leaders. The sense of entitlement experienced during those boom times developed a "set-point" that hasn't been modified by any other event since. Granted, 9/11 may have changed our collective values, but nothing has made such a significant impact on an individual level than the days of "irrational exuberance."

Our future top leaders still believe they are entitled to have the same level of engagement and reward that they experienced in the fleeting Internet boom. These leaders continue to view their jobs in light of that experience. As a result, this set-point has caused many current executives-in-waiting to become a Wandering Class of Leaders, frustrated in their quest to find that "perfect opportunity." Similar to Don Quixote in his far-flung search for an honest man, until their set-point value system is met, this group of leaders-to-be will continue to wander seeking the perfect opportunity, or worse, expecting it from their organization. It's no wonder current top executives believe they can't find alignment, motivation or collective resolve within their top ranks.

During the last three or four years, the Wandering Class of Leaders has waited for the market to recover and for things to get back to "the way they used to be." This is a major reason why many current executives are experiencing such angst today. It is a sure sign that these irrational exuberance values are lurking beneath the surface and hinder a leader's ability to see the need to recreate his or her career to match a new creative economy on a global scale.

> C-suite executives who are personally waiting for their retirement ships to come in have done little service to their organizations in the long haul.

Do You Work With a Wandering Class of Leader?

The Wandering Class of Leaders is usually made up of the last half of the baby boomers and the first wave of "cuspers" who are generally between the ages of 40 to 52. They are in the prime of their career lives with 20 to 30 years of experience, having spent years developing their abilities to lead and guide in businesses. This group is motivated by having a significant level of responsibilities, by making huge bonuses based upon personal impact to the bottom line and by having the will to control their own careers. They are used to flexibility in their work assignments, having time for personal needs, and getting professional support to enhance their daily production. This group wants individualized rewards and fast promotional opportunities based upon hard work that makes a difference.

The Wandering Class is not motivated by long-term commitments to an organization nor is it particularly keen on teamwork, unless it's required for individual performance and there's a direct line-of-sight between the group and

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revealed that the median CEO TDC (which included cash compensation and long-term incentives) increased 7.5 percent to $7,386,692 in 2004.

ExecuNet's research echoes the upward trend, with executives reporting increased earnings in 2005 over 2004, and high expectations continuing through 2006.

What You May Be Offered

But how do you determine if you're offered the best possible package for your circumstances? First, you need to understand the basics of a typical compensation package. Obviously, the largest piece is base salary, which is typically paid out on a weekly, biweekly or even monthly basis — regardless of performance. There is also variable compensation, which is either incentive or performance-based and paid out in the form of cash or stock options. Another fixture in the package is long-term incentives, which are based on stock price for public companies and typically represent a bonus in private organizations.

According to Brandon Cherry, principal of Presidio Pay Advisors, the formula for executives to use to gauge what they can expect is rather simple: the bigger the company in terms of annual gross revenues, the higher the salary it will offer for equivalent positions. However, there are other variables to consider. "Your [compensation] level depends on the company's pay philosophy," such as if they reward performance as opposed to just paying a straight salary, Cherry says. In addition, compensation can vary based on the location of a company, as well as industry. And it can also differ based on an executive's responsibilities and actual title (for example, if he is a CEO or holds multiple titles — serving as both the CEO and COO of an organization).

Cherry says he has seen a trend toward organizations offering performance-based pay structures, because company management doesn't want to immediately reward employees with a large salary; they want employees to have an added incentive to achieve.

However, when looking at bonus plan packages, prospective employees tend to focus on what the plan has paid out in the past, says Cherry. That, of course, will change based on the performance of the new hire. (So, for that reason, this isn't an accurate predictor of future salary and shouldn't be weighed as heavily when candidates determine the value of a compensation package.)

Peter Goodman, author of *Win-Win Career Negotiations*, says it is important for candidates to learn the price per share and total outstanding shares as well as the stock price to uncover the true worth of an organization and the value of the entire options package.

On the benefits side, typical incentives include a 401(k) match, payment (or partial payment) of insurance premiums and automobile allowances. They can also include a share of a company jet or gym and club memberships. "Those benefits are company-specific, so it's difficult to attach a dollar value to them," says Cherry. "But benefits are a great area to negotiate. The company can get a lot of value out of very little cost."

While cash compensation has increased in recent years, companies are not being quite as generous with additional benefits, says Debra Feldman, a Connecticut-based executive job search consultant. She has noticed that organizations

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Components Found in a Compensation Package

While not every compensation package is identical — some companies offer features that others do not provide and terminology can vary as well — there are some general items that should be listed in a typical package. Here is a listing of some of the components:

Cash Compensation:

- **Annual Base Salary** — The fixed, recurring portion of the employee's cash compensation paid over a 12-month period, excluding all other cash payments such as commissions, incentive compensations or bonuses, and long-term cash payments.
- **Annual Cash Incentive** — The variable cash payments made to an incumbent based on performance over a 12-month period.
- **Annual Incentive (percentage of annual base salary)** — The annual incentive divided by the annual base salary, expressed as a percent of annual base salary.
- **Total Cash Compensation** — The sum of the annual base salary and the annual cash incentive paid to an incumbent.

Long-Term Incentive Compensation:

- **Annual Long-Term Incentive Grants** — Equity and/or cash-based incentives generally requiring service and/or performance for a length of time greater than one year.
- **Stock Option Grant Present Value-Receiving** — The Black-Scholes present value of recurring stock option grants, in dollars, made to an incumbent for those incumbents that received an annual stock option grant for ongoing service.
- **Total LTI Grants-Receiving** — The sum of the stock option grant present value and other long-term incentives, in dollars, for those incumbents receiving such forms of long-term incentives.

Total Cash and Equity Compensation:

- **Total Direct Compensation (TDC)** — The sum, in dollars, of the annual base salary, annual cash incentive and total LTI grants.
- **Total Direct Compensation-All** — The sum, in dollars, of the annual base salary, annual cash incentive and total LTI grants, regardless of whether those incumbents received any long-term grants.

Source: *Presidio Pay Advisors*

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are not being as free with their travel policies and have cut back on automobile allowances and expense report privileges. On the flip side, "most prospective employees are more flexible in their expectations," says Feldman.

With those expectations of success, there are also those of caution. Employment agreements provide financial safety for executives if their relationship with their employer abruptly ends. These agreements typically include a severance pay (compensation the employee receives if terminated) and a changing control agreement (which will outline how much an employee will receive if the company is acquired), says Cherry, noting that these provisions are usually discussed during salary negotiations. "The whole point of these provisions is to ensure that the executive isn't concerned about where his next paycheck will come from;" so if there is an acquisition, the company will be more confident the integration will be a success with that executive still in place, says Cherry.

According to Cherry, retention contracts are very rare and typically used in very unique circumstances: "When interest in buying a company is getting hot" and that company needs the executive to help with a transition or "a struggling company going through bankruptcy and this executive has a relationship with the banks; the company won't survive if they leave." Retention contracts typically offer employees a payout for remaining with the organization for a determined amount of time.

What You Might Expect

Title	Industry	Salary	Extras
New York			
President	Food	$250k-$300k	+ Options
Chief Operating Officer	Retail	$250k-$350k	+ Bonus (15%-30%) + Pre-IPO Options + Car + Incentives
Chief Financial Officer	Technology	$275k-$350k	+ Bonus (20%-35%) + Options + Incentives
Human Resources Director	Process Mfg	$150k-$170k	+ Bonus (25%-40%) + Options
Marketing Director	Financial	$200k-$450k	+ Bonus + Incentives
California			
Chief Executive Officer	Auto Mfg	$250k-$350k	+ Bonus (50% target)
Chief Operating Officer	Entertainment	$250k-$300k	+ Bonus ($50k-$100k) + Possible Incentives
Chief Financial Officer	Apparel	$200k-$225k	+ Bonus (25%) + Options + Possible Car + Profit Sharing
Human Resources Director	Software	$140k-$160k	+ Options
Director of Product Marketing	Semiconductor	Up to $160k	+ Possible Bonus + Possible Options

Source: *ExecuNet's Salary Report (information derived from actual ExecuNet job postings)*

Do Your Homework

If you want to have a better idea of the salary of the position you're interested in, you definitely need to do some research. This might be more challenging if the organization is a private company; but for public firms, it's as easy as looking at financial statements. Your main objective should be to receive compensation in line with other employees of the organization. "Find out what your boss is making," says Feldman. Then you know the high point of your own salary range. But when you sit down for a meeting with a potential employer, have a number in mind for total compensation, advises Cherry.

Once you know the salary range you would like to receive and begin salary negotiations, there are several things to keep in mind to ensure you leave the meeting with your desired salary. Advises Feldman: "Never show your hand, never answer first and always give a range." Stress to your prospective employer that you're confident that if both sides are interested in closing the deal, you will be able to agree on a satisfactory figure. "Get them to name a number," says Feldman. "You want them to start where they think [the position] is worth."

Feldman says that in some firms, there is no negotiation, and that smaller companies are typically more flexible, although "it may be harder to squeeze money out of them."

Preparation is perhaps the biggest key to successful compensation negotiations. And you need to bring more than just a desired salary range to your meeting. To help guide the negotiations to a satisfactory end (and job offer), executives should ensure they can answer the following questions:

- Are you ready to articulate the value you bring to the organization?
- Do you understand the company's compensation track record?
- Have you identified areas where the company is focused? (A company in turnaround will seek a manager with a proven record in that area, while a start-up may value more a fund raiser- or rainmaker-type).
- Are you certain you are dealing with the decision-maker?
- Are you thinking about this negotiation as a win-win?

[Before you discuss numbers, download ExecuNet's free Career Guide, *Get What You Deserve: Successful Compensation Negotiations* http://members.execunet.com/promo/pdf/CompensationNegotiations.pdf]

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themselves. They are not necessarily impressed by titles or status, unless it translates into political power to get something done or is part of the trappings of power. The Wanderers are used to making big money and are quite frustrated when raises or performance bonuses are incremental. Primarily the Wandering Class has rejected the first half of the baby boomers' value systems and is not willing to wait for these "Suits" to leave a company before they can get a shot of their own. Impatient for recognition, reward and promotion, the Wandering Class of Leaders cannot hold on until the Suits' 401K returns to a "retirement value" status, signaling the Suits' exodus from their current roles.

Cruel, temporary spurts of economic improvement (i.e., first quarter of 2005) have only created more frustration in the Wandering Class of Leaders as they collectively hold their breath for what may seem like the "real deal" in 2006, where all indicators show that real economic growth has, in fact, occurred and is not a phantom phenomenon.

These forces within the Wandering Class of Leaders have created a pent-up desire to begin their migration. All are looking for Canaan and will not stop until they find it.

Avoiding the "Perfect Void Syndrome"

Current practices of top-talent retention won't be effective against the powerful value set-point of this Wandering Class of Leaders. Of the best companies identified by Fortune last month, most on the list have been in existence for 85 years. Such honorable classic companies have generally adhered to their values built decades ago and have been slow to change their cultures to match the upcoming executives-in-waiting's value system.

> "Older companies have not connected the dots for a new generation of experienced and motivated leaders."

Additionally, my original research indicates that these older companies have not connected the dots for a new generation of experienced and motivated leaders. Some current retention practices that miss the mark for the Wandering Class of Leaders include:

- Employee-relations surveys used as informational impressions, not as cultural cues to changes that are needed
- Performance-management systems used as one-time measurements, not as indicators of executive development patterns
- Succession-planning strategies used as personal reflections of alignment, not as a set of long-term inventories of strategic business capabilities
- Rewards and bonuses aligned to current profit-and-loss cycles, not as a human-capital balance-sheet viewpoint, communicating long-term value of top talent
- Productivity requirements used as impacts to quarterly stock-guidance reports, not as indicators of talent capabilities leveraged well
- Executive development used as a "one size fits all" program, not as an individualized, customized approach to enhance core threshold strategies

C-suite executives who are personally waiting for their retirement ships to come in have done little service to their organizations in the long haul. Losing valuable time to develop their successors, they waste the collective opportunity to groom new leaders while continuously asking their top talent to do more, be more and get less.

> "Putting together Farm Teams isn't cheap, isn't quick and isn't easy."

Additionally, new "best" business practices such as Forced Ranking by GE, outsourcing of repeatable work to developing countries, and layering to improve bench-strength in a matrix organization send a message to the Wandering Class of Leaders to interpret what they believe is valued and what is not by a company. Not that any of these best practices are wrong or improperly used — some are entirely valid — but the lack of communication and context just throws more fuel on the fire. And the internal, short-sighted, day-to-day focus on operations may satisfy a superficial sense that "things are getting done," but is just a set-up for asking the Wandering Class of Leaders to move on.

The only answer to this problem is to make the hard dollar investment in top talent by creating Farm Teams of next-generation executives to counterbalance the strong desire of leaders to leave for better pastures which organizations are sure to experience in the near future. But putting together Farm Teams isn't cheap, isn't quick and isn't easy. It requires a serious investment of time and energy, yet it communicates a willingness to challenge, inspire and keep the very best talent in an organization. ■

For more on Farm Teams and how they operate, join Karen Armon in ExecuNet's FastTrack Webinar, *Challenge-Ready Farm Teams: Creating Your Executive Talent Pipeline*, held on February 28, 2006, at 12:30 p.m. ET. (http://www.execunet.com/e_network_detail.cfm?fmtid=6a59) Karen Armon is CEO and Founder of Alliance Resources LLC in Littleton, Colorado, and is a popular presenter for ExecuNet.

Learnings from Landings™

A Good Job Search Requires a Good Job Search Plan

In just five months, Patty Greene obtained her position as vice president for a major financial institution, but her quick action yielded interest even earlier. “I actually had a job offer within three weeks of leaving my former position,” says the 45-year-old Greene. “Even though I did not accept that offer, it was a tremendous boost to my confidence in being able to land a position.”

“My job search took approximately five months, which is good, even in today’s job market. Overall, I expected a four to eight month search, so I was pleased to land within five,” says Greene. “I was actually surprised by the increased number of jobs available and the searches being conducted. There was much more in the job pipeline than I had expected there to be. I had expected it to be much slower than it turned out to be.”

Preparing the Blueprint

Greene attributes her short search to a quick and organized action plan that included strong networking, communication techniques and follow up.

> First and foremost it was the discipline to ensure that my job was my job search every day. I had to plan the work and work my plan every day.

“You have to have your communication plan, marketing plan and research done. You have to practice your message and your interviewing skills. You have to be prepared to focus your communication to each company you are soliciting. You are selling yourself, and to close the sale a good marketing plan is essential.”

“Communicate effectively — be focused and precise in all your communications and secondly, follow up and follow through. Don’t hesitate to call back, e-mail or write to follow up on a job you really want,” Greene advises.

Off to a Strong Start

“Don’t take too much time off at the very beginning. I only allowed myself a couple of days to compose my marketing plan, and then I hit the ground,” Greene notes.

With a positive mindset and a strategy that didn’t leave room for procrastination, Greene stayed on-task. “First and foremost it was the discipline to ensure that my job was my job search every day. I had to plan the work and work my plan every day. Second was networking, it can’t be said enough how important this aspect is to a successful job search. Not just for leads to jobs, but for information about industries and markets and in general to keep the wheels of communication greased.”

Experiences with Recruiters, Companies

While Greene maintained her professionalism throughout her search process, she found that not everyone espoused the same attitude. “Unfortunately, the recruiting community has a lot of work to do within its own boundaries. While there are some excellent, reputable recruiters out there, I find the vast majority to be absolutely of no value and a drain on your time and energy in job search,” Greene lamented.
“Unfortunately, many times that is the only way into a particular job, so you have to grin and bear it. Just remember, use them the same way they are using you and protect yourself while maintaining your integrity in the job search process.

> I actually had a job offer within three weeks of leaving my former position. There was much more in the job pipeline than I had expected there to be.

Don’t burn any bridges.”

Even though Greene had a short search, she still encountered slow-moving organizations. “Companies still take a tremendous amount of time to make hiring decisions, and there is a long process you must go through to get the job you desire. Patience and focus are required to make it through the tollgates to the job you want.”

Helpful Resources

Greene used the Internet to aid her search but issued a caveat on its usefulness. “I find that it [the Internet] is an ‘enabler’ like other business technology. It does not do the job for you, but it can enhance your process.”

“ExecuNet does an excellent job in providing the resources, tools and networking necessary to a successful job search. In addition to ExecuNet, I plugged into professional association websites through the Institute of Supply Management and local ISM affiliates. The larger websites like Monster and HotJobs don’t really address executive job search adequately.”

“The challenge is taking advantage of the right resource at the right time,” Greene concludes. ■

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Expert Resources:
- Debra Feldman (www.jobwhiz.com)
- Brandon Cherry (www.presidiopay.com)
- George L. Lenard (www.employmentblawg.com)

Room to Move

So how much power does the candidate really have in the negotiating process? It depends how important their presence is to the hiring organization. "A candidate has leverage if a company wants them bad enough," says Feldman. "And if you have initiated the contact, you're in a position to stand ground longer." Also, don't be afraid to state your case and show the organization you're worth the compensation you seek. Sue Arth, a California-based career counselor and executive coach, suggests using Problem-Action-Result statements to showcase your successes and emphasize your potential value to the hiring firm.

Feldman adds that each individual has to know what the deal-breaker is — the factors that would prevent him or her from accepting a job offer. (For example, some executives might not accept a position if the employer does not pay relocation expenses.) However, others may be willing to compromise on salary because the position satisfies other needs (such as an opportunity to enter a new market or move to an area the candidate wants to live). "Individuals need to know their priorities and objectives," says Feldman. "Today, people are taking family needs into consideration as well."

If the negotiation process is far from pleasant, candidates must question if a potential employer offers such treatment to a candidate, how does the company treat its employees? "It tells you what their values are and how they treat people," says Feldman. "And it tells you if you're a good fit or not." If a company appears likely to cut corners to hire an employee — which could suggest the organization may cut corners elsewhere — it might not provide a desirable environment for any candidate. And a candidate may question whether this company functions in an environment that is conducive to risk taking, adds Cherry. At the same time, companies don't want to have a contentious relationship with a potential employee from the start.

Getting a Handle on Employment Lingo, Contracts

To help decipher compensation packages, some executives hire employment lawyers. But are they really necessary? "Job title and salary range alone are not determinative, but factors favoring use of employment counsel are more likely to be in play the higher level and more highly compensated the job," says George L. Lenard, managing partner with Harris Dowell Fisher & Harris, L.C. and editor of *George's Employment Blawg*.

> A candidate has leverage if the company wants them bad enough.

Lenard noted that employment lawyers can be very helpful to an executive when negotiating termination and incentive provisions. They can also assist in crafting a written employment contract. "With higher management and executive employees, comprehensive written employment contracts placing significant burdens on the employer's conduct are quite common," says Lenard. "The likelihood that employers will agree to enter into such contracts, and if so, the terms of such contracts are...governed significantly by practical economic, management and labor market realities. For example, if the employee being hired is highly desirable [and possesses unique and relevant skills], he or she likely has the bargaining power to obtain a favorable written agreement." ■

CareerSmart Advisor
Strategies & Solutions for Your Career Success

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