



Fighting Lower Finance Salaries

by Dona DeZube
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If you're looking for a finance job, you may have to lower your salary expectations. Those who worked anywhere related to the high tech sector or the dotcom market were probably overpaid by as much as 30 percent in their last job, says Valerie Frederickson, CEO of Valerie Frederickson & Co., a Menlo Park, California-based executive recruitment firm.

Finance professionals hired by tech firms simply because they had a heartbeat and knew a debit from a credit may have the hardest time replacing their salaries. "They're probably 50 percent overpaid," Frederickson says.

To qualify as a top chief financial officer in today's market, you need 15 years experience, a CPA, an MBA and the ability to run MIS and HR in addition to accounting and finance. If you do not have all these components, market yourself as a controller, Frederickson says.

"If you qualify as a CFO, you have to look at the fact that last year you could get \$190,000 to \$250,000, and this year you're going to get \$150,000 to \$170,000," she adds.

In general, the highest-paying sectors for finance professionals are now manufacturing and insurance, with the highest salaries going to CFOs with operations management experience.

Maximizing Your Potential How can you get the highest possible salary in a tough market? First, do your research. Figure out what you should be earning, remembering that salary surveys are typically based on last year's data. Any headhunters you work with should have a good feel for the market based on where they have placed people and what other candidates have sought.

Next, consider your potential employer's fiscal fitness, suggests Keith Fortier, a certified compensation consultant for Salary.com. "Consider the general business climate, the state of the economy and the overall job market. How profitable is the company? What stage of the business cycle is it in -- startup or mature company? Typically, startups have less cash available. If you're looking for a higher base salary, you might not get it at a startup," he says.

Shari Dunn, managing principal of CompAnalysis, Inc. in Oakland, California argues that you can't determine a person's worth, only what a particular job is worth.

"Two things indicate job value," she says. "One, the labor market for the job, in consideration of its content, level of responsibility, and the size, industry and location of the company. And two, how the company values the job internally, in comparison to other jobs."

Dunn recommends you find answers to these questions:

1. Does the employer have a structured salary administration program that includes job evaluations? If they do, ask to see the materials.
2. What do jobs above and below this position pay?
3. What performance measures are used to determine bonuses or commissions?
4. Is there a defined career path for the company, and where in the path is this job?
5. What qualifications do you need for jobs on the path?
6. What training opportunities exist?
7. What other benefits are offered?
8. How often are bonuses and commissions paid, and how have they been paid in the past? Is the bonus plan in writing, and who's eligible?

Bonuses Are MIA

No matter where you go, you can probably forget about sign-on bonuses, or an employer paying off your MBA debt. "I haven't seen a sign-on bonus since July, anywhere," says Frederickson. "What you're going to get is a cash bonus or a management bonus, based 50 percent on company performance and 50 percent on objectives decided within the first 30 days. Insist that the bonus be paid quarterly rather than annually, because you can't be sure the company is going to be around at the end of the year."

You can also seek the old-fashioned perks: Working from home on Fridays, professional association dues, and if you're on the road, a high allowance for car and phone. "Technical people should negotiate to have DSL or a cable modem installed in their homes, and everybody should work on negotiating their areas of responsibility," she adds. "Basically, work is now back to being about the job, not about getting rich quick."

Dona DeZube is a feature writer for the finance and salary verticals at Monster.com.