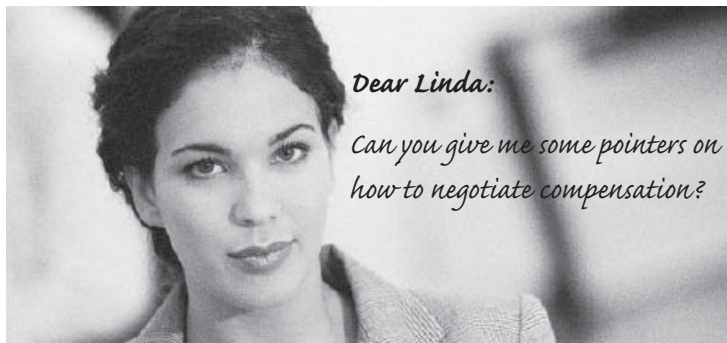


YOUR CAREER



Dear Linda:

Can you give me some pointers on how to negotiate compensation?

Negotiating is a skill that requires knowledge of a few critical rules, an understanding of the process, and a little bit of practice. You should know what you are worth to the employer, what their ranges are for a person of your caliber, what each part of the compensation package represents, and you should be able to execute the steps strategically.

Salary ranges are based on economics and are specific to the employer. Historically this formula has followed the one-third rule, which means that billings are allotted in thirds to overhead (office expenses) salary and benefits, and profit. It is the nuance of each employer that makes each situation different, and why there is room to negotiate.

In most cases paralegals earn varying combinations of base salary, overtime, bonus, and benefits. Salary falls into a range the organization determines based on the past experience of knowing what you will be doing and how much it is worth to them. Overtime, if paid, is equal to one and a half times your hourly rate after forty hours. Bonuses are most often awarded at year-end and are based on a combination of billables, merit, and seniority. They are highly dependent on firm profit. Benefits are based on firm policy and are adjusted as needed. They can also include such intangibles as flexibility, privilege, and opportunity.

Whether or not you will be paid overtime is probably not negotiable since it is based on how the employer interprets the law. What might be negotiable is whether or not you will work overtime. There has been quite a bit of debate on the topic of

the exempt versus non-exempt status of paralegals. See *The New Overtime Rules* by Robert A. Boonin, also in this issue.

Benefits are also part of firm policy, but in some cases might be negotiable if you don't need them,

or if you need to give extra consideration to family benefits. Retirement account matching, profit sharing and/or stock options can add up to quite a portion of your compensation and should be very carefully analyzed. Vacation is often negotiated when a move is made from one company to another.

Flexibility is a predominant issue in negotiating paralegal employment since the field requires long hours. In many cases an employer may be willing to adjust your hours based on family, school or other personal needs. One popular request is for part-time hours or the ability to telecommunicate. Some employers interpret these benefits as a privilege that is earned over time.

Opportunity is an elusive creature, but it is part of the equation. Knowing what you can expect in terms of learning new skills and going somewhere in the organization might be negotiable. It isn't out of the question to accept a position for what it has to offer you in the long run, even if it means compromising an otherwise lateral or higher salary.

Some creative ways of working out alternatives might include a sign-on bonus if it is a new job, establishing specific performance criteria and being reviewed at 30, 60 and/or 90 days, being promoted to a new position or changing responsibilities within the same position - both of which might have more worth, swapping benefits for cash, and/or establishing flexible working hours.

Be aware that most employers have been through the negotiating process many times. They know the strategy and how it should be executed. Your following these principles

will demonstrate savvy and good judgment:

- There is no benefit to discussing compensation until both parties have decided they are interested.
- In all cases of a new position, never bring up compensation unless the employer does.
- You will not be able to tell an employer what you want to be paid until you know their salary range, what their total compensation package includes, and what their position is on issues such as flexibility and opportunity.
- Giving specific figures is not always a good strategy unless you know the employer's range. If you don't, being on the receiving end of the first offer is to your advantage.
- You should never feel pressured to accept an offer on the spot. Ask the employer what their deadline is and then respond accordingly.
- Most offers are negotiable and with a little creativity can be adjusted to satisfy both parties.
- Make sure you understand all the details before you start to negotiate.

Successful negotiating depends on analyzing each component of the package individually and tipping the scale back and forth until a reasonable and acceptable compromise has been met. Both parties should feel like they have had the opportunity to express their requests, and that all possibilities have been considered. It should not be an emotional process, but instead a very objective one.

Presenting a strong position based on fact requires up-to-date knowledge of norms and averages offered in your community. You can stay informed by consulting with paralegals, researching professional organizations and legal journals that have done surveys, and working with employment agencies that can coach you through the process. Compensation is a pivotal life decision and you should learn how to present yourself so that you will get what you deserve.

Linda S. Jevahirian is the Founder and President of Legal Search & Management, Inc., a specialty firm that provides temporary and permanent recruiting to firms and corporations interested in improving their practice through the use of legal assistants.

Linda is a noted speaker, trainer and author. Her articles have appeared in numerous legal publications, including, the Michigan Bar Journal, Michigan Lawyers Weekly, The National Law Journal and Legal Assistant Today.

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