



## /// Salary Versus Hourly...The Age Old Question!

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JR,  
I am wondering how to handle a conflict that I have experienced. I am used to working long hours but since I have become salaried I have some friends who question why I work so much. I know that I am required to work my 40-hours but I still feel the need to work longer hours. Am I making a poor choice as some suggest?

Thank you  
Ross O'Connor

Ross, you have touched on an issue that many of us struggle with at some point in our careers. Each of us has to determine if we will continue to receive remuneration based on our hourly efforts, or accept a fixed-fee (salary) regardless of the amount of effort or time expended. Why would anyone choose the second option? Because, like life itself, it is not as simple as it appears on the surface.

Typically, our first job is an entry level position at an hourly rate because it requires little to no technical skill. Occasionally, one's first job may indeed be a salaried position right out of college. If we follow the path most people tread, there are a series of hourly jobs with increasing levels of responsibility and skill until one can achieve a true living wage. For those whose passions, priorities, and ambitions lie outside the workplace, this is not only satisfactory, but highly desirable.

For others however, this path is lacking in satisfaction. They desire a salaried position for a number of reasons; greater responsibilities, authority, prestige, recognition, or self- fulfillment. These people exchange the comfort and security of an hourly wage for a salary that is far from certain because an unknown number of hours may be needed to achieve the result.

To help answer your question, let me generically classify these two groups as "mercenaries" and "patriots" for purposes of understanding their motivations. The "mercenaries" are often (but certainly not always) motivated to achieve the maximum financial reward for the minimum effort. "Patriots" on the other hand, almost never ask "what's in it for me"; rather they ask "what needs to be done"? This is a fundamental difference in philosophy and motivation between the two groups. The "mercenaries" desire extra pay for any additional effort, while the "patriots" are more concerned about first accomplishing the goal of the organization. One can find "mercenaries" in salaried positions as well as "patriots" in hourly ranks. A successful leader selects, hires, and motivates his/her people to develop and strongly encourage the "patriot" perspective. Whether hourly or salary, these are the people who make an organization great!

The "patriots" who choose the path of a salary are actually investing in themselves and their future. While in the beginning, a salary may seem like a boost in pay, one often finds that, because of overtime or other factors, your hourly employees actually make more money than you do, even though you are often working longer hours and have far greater responsibility! How in the world can that be fair? Yet, what most people fail to realize is that in exchange for our willingness to work long hours in our early managerial jobs, we are developing experience, skills sets, and judgment that prepares us for far better paying jobs later in our careers. Many today rail at the wide gap between salary and hourly pay scales. They fail to take into consideration the long hours, late nights, the "butt chewing's", failures, and challenges the highly compensated individual

endured in order to be considered eligible for the salary level that senior business executives earn. Some people are unwilling to invest in themselves; others only want to be paid for what they do here and now, while others are unwilling to take the risk that a sacrifice today will pay off tomorrow. Hourly rates are made for those people and we need them in our workforce.

But for those individuals who are willing to work late nights and weekends, endure situations that will be blatantly unfair, and sometimes endure friends and fellow workers telling you how foolish what you are doing seems to them, it can pay off with a lifetime of satisfaction, leadership opportunities, and rewards beyond your wildest dreams!

## **J. R. McGee**

*Managing Partner and CEO*

1248 Queen Street, Pottstown Pa 19464

[www.xstreamlean.com](http://www.xstreamlean.com)

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