Welcome to the Meet-the-Experts Webinar Series: Negotiation

Raise your hand if...
Meet-the-Expert Webinar: Negotiation

Tuesday, November 12, 2019
3:00 – 4:00 p.m. ET
How to Submit a Question

Type your question in the “Questions” box of your webinar panel.

Computer

Mobile Device
Faculty

Jessica Thaxton, PhD, MSCR
Medical University of South Carolina

Zihai Li, MD, PhD
The Ohio State University
Negotiation

(For Academic positions in the US Medical Schools)

November 12, 2019
In this Meet-the-Expert Webinar, Dr. Zihai Li will provide guidance on negotiation, from preparation to resolution. At the end of this webinar, attendees will know the different negotiation styles, how to properly prepare for and participate in negotiations, and how to close them out with integrity.
Presenter’s Background

• **Physician scientist:**
  - M.D., Henan Medical University, China
  - Ph.D. (Immunology), Icahn School of Medicine at Mount Sinai New York, NY
  - Residency (Internal Medicine), Montefiore Medical Center of the Albert Einstein College of Medicine, New York, NY
  - Fellowship (Medical Oncology), Fred Hutchinson Cancer Research Center and University of Washington, Seattle, WA
  - Board certified in Medical Oncology
  - Research interests in cancer immunology and chaperone biology
  - Membership: AAI, SITC, ASCI, AAP, ASH, ASCO, AMSMIC

(continued on next slide)
• **Academic leader and administrator**
  
  • 2011-3/2019 Chair and Professor of Medicine (with tenure), Department of Microbiology and Immunology; Medical University of South Carolina, Charleston, SC
  
  • 4/2019- The Klotz Chair in Cancer Research, Professor of Internal Medicine, and Founding Director of the OSUCCC – James Pelotonia Institute for Immuno-Oncology (PIIO).
Presenter’s Recruitment and Negotiation Experience

- Involved in search for provost, dean, dept chair, center director, and faculty at all levels
- More than 30 Faculty Recruited
- Start-up Packages Totaling over $150 Million
Negotiation by Definition

A discussion aimed at reaching an agreement

- A successful company acquiring a business
- Two countries reaching agreements on peace
- Scope of work you will take from a mentored lab to establish independence
- Your independent laboratory space, salary, and start-up funds
- Industry position and advancing in the pharma/biotech industry
Negotiation Styles

5 Negotiation Styles

- **Competitive**: Result oriented, achieve short-term goals quickly, Leverage all strengths to achieve goal
- **Collaborative**: Focus is that all parties needs are met, Value building relationships without compromising personal interests
  
  Invest time to find innovative solutions and strategic partnerships
- **Compromise**: Relinquish some positions to gain others, effective in tight deadlines
- **Avoid**: Dislike conflict, use vague terms to avert direct conflict
- **Accommodate**: Win favor by giving into requests
  
  Peacemakers, Preserve relationships, Build friendly rapport
Nelson Mandela

“the greatest negotiator of the twentieth century”
- Harvard Law School professor and Chairman Robert H. Mnookin
  Bargaining with the Devil, When to Negotiate, When to Fight.

- Patient, Tenacious, Practical, Strategic, Innovative
- Knew key principles that would not be conceded
- Not forceful, not avoiding, compromising, accommodating, collaborative
Congratulations

• You have a stellar CV
• You found a cure for cancer
• You nailed your job seminar
• Your interview went extremely well. Everyone loves you; you are the perfect fit
• They can’t wait to sign you on

Now what?
$65,000!

$100,000,000!
Preparing for Negotiation

Do Your Homework

• *Your Counterpart*: Who are you negotiating with? What is their background and motivation?

• *The Institution*: Know the financials in relation to your position. What’s the institution’s indirect cost rate? What share of intellectual property royalties are paid to inventors? Space (Sq. Ft. per $ of funding). Etc.

• *The Market*: What are the percentile salaries for your position? Average size of start-up packages?

• *You*: What are your deal breakers? What could you concede?
Preparing for Negotiation (cont.)

Keep in Mind

- **Collaboration is Key**: You will be negotiating with your future chair or dean. This is no place for combative or overly aggressive negotiation.

- **The Level Playing Field**: Understand that equity may play a major part in the offer.

- **The Offer Process**: Usually begins with informal verbal communication of offer broad strokes followed by an official and detailed written offer.
Let’s talk about the specifics: The Offer

General Contents

• Salary*
• Salary Coverage: Percentage of salary covered by extramural funds*
• Start-up Funding*
• Teaching Load
• Research/Scholarship Expectations
• Space: Wet/Dry Lab Space and Office*
• Relocation Allowance
• Links to the institutions Benefits web page and Faculty Handbook
• Term and Responsibilities (tenure clock)
• General Support???

* Will be covered subsequently in greater detail

Everything is negotiable!
Salary

• **Salary Statistics**: Knowledge of current salary statistics is important for negotiations. Your offer.

• **AAMC Survey**: Medical School Faculty Salaries – AAMC faculty salary survey – [Link](#)

• **Cost of Living**: Consider the cost of living as it will often impact salary levels. There are several online Cost of Living calculators

• **Negotiation Point**: If salary offered is lower than typical levels in your field, inquire what factors drive this lower range.
## 2017-2018 Medical School Faculty Compensation

**PhD or Other Doctoral Degree**
**Total Compensation in Thousands of dollars**

### Microbiology & Immunology

<table>
<thead>
<tr>
<th></th>
<th>Instructor</th>
<th>Asst. Prof.</th>
<th>Assoc. Prof.</th>
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<td>93</td>
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<tr>
<td>Mean</td>
<td>68.7</td>
<td>94.7</td>
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<td>194.4</td>
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### Surgical Oncology

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<tr>
<td>Median</td>
<td>81</td>
<td>108</td>
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<tr>
<td>75th</td>
<td>91</td>
<td>121</td>
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</tr>
<tr>
<td>Mean</td>
<td>91.7</td>
<td>113.3</td>
<td>201.6</td>
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## 2017-2018 Medical School Faculty Compensation

MD or Equivalent Degree  
Total Compensation in Thousands of dollars

### Microbiology & Immunology

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<td>25th</td>
<td>71</td>
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<tr>
<td>Median</td>
<td>96</td>
<td>136</td>
<td>223</td>
<td></td>
</tr>
<tr>
<td>75th</td>
<td>112</td>
<td>158</td>
<td>255</td>
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<tr>
<td>Mean</td>
<td>102.2</td>
<td>149.3</td>
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### Hematology/Oncology-Med (Clinical)

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<td>207</td>
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<tr>
<td>Median</td>
<td>195</td>
<td>240</td>
<td>288</td>
<td>362</td>
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<tr>
<td>75th</td>
<td>268</td>
<td>323</td>
<td>369</td>
<td>451</td>
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<tr>
<td>Mean</td>
<td>222.5</td>
<td>277.3</td>
<td>321.9</td>
<td>389.6</td>
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Salary Coverage

- **Minimum Percentage Effort**: Most offers will stipulate a minimum percentage effort that should be covered by extramural funding.

- **Example**: “It is expected that at the end of year 5 you will generate extramural funds sufficient to cover 50% of your salary.”
  - Will usually stipulate that your salary level may be affected if this minimum is not met.

- **Negotiation Point**: If coverage expectation is not in line with current extramural sponsor paylines, negotiate this point toward better alignment with the current funding climate.
## NCI Grant Funding Paylines

<table>
<thead>
<tr>
<th>RPG Mechanism</th>
<th>2017</th>
<th>2018</th>
<th>Description</th>
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<tbody>
<tr>
<td>R01 Traditional Grants</td>
<td>10th &amp; 12th</td>
<td>9th &amp; 14th</td>
<td>Percentile</td>
</tr>
<tr>
<td>P01 Program Projects</td>
<td>17% Reduction</td>
<td>17% Reduction</td>
<td>SPL Selected*</td>
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<tr>
<td>R03 Small Grants</td>
<td>25</td>
<td>25</td>
<td>Impact Score</td>
</tr>
<tr>
<td>R15 Academic Research</td>
<td>25</td>
<td>25</td>
<td>Impact Score</td>
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<tr>
<td>R21 Exploratory Phase I</td>
<td>7th</td>
<td>7th</td>
<td>Percentile</td>
</tr>
<tr>
<td>R33 Exploratory Phase II*</td>
<td>N/A</td>
<td>N/A</td>
<td>SPL Selected*</td>
</tr>
<tr>
<td>R41/R42 STTR</td>
<td>21</td>
<td>25</td>
<td>Impact Score</td>
</tr>
<tr>
<td>R43/R44 SBIR</td>
<td>25</td>
<td>27</td>
<td>Impact Score</td>
</tr>
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</table>
Start-up Funding

• Know the Stats:

Table 2: Start-up Costs

<table>
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<tr>
<th>Questions</th>
<th>Type of Institution</th>
<th>Region</th>
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<tbody>
<tr>
<td></td>
<td>Overall **</td>
<td>Private **</td>
</tr>
<tr>
<td>Mean (std)</td>
<td>$708,306 ($397,938)</td>
<td>$707,952 ($525,020)</td>
</tr>
<tr>
<td>Minimum</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Maximum</td>
<td>$1,700,000</td>
<td>$1,700,000</td>
</tr>
<tr>
<td>Median</td>
<td>$750,000</td>
<td>$766,118</td>
</tr>
<tr>
<td>n</td>
<td>44</td>
<td>16</td>
</tr>
</tbody>
</table>

following categories:
• Staff (Salary and Fringe)
• Equipment
• Reagents
• Project-oriented
• Other (Contractual service, etc.)
Space

- **Space Does Equal Money**: Electricity, water, etc. Real costs involved.
- **The Sensitivity of Space**: It is finite. Negotiating space may involve sensitive issues like relocating current faculty or bartering for space with other departments.
- **Ask About**:
  - Extramural dollars per sq. ft. of space
  - Renovations needed
  - Proximity to vivarium
  - Proximity to collaborative neighbors
Equipment

• **Shared Equipment**: Investigate what shared equipment is available. Is there a cost for use?
• **Smaller Equipment**: Prepare a list of small equipment that will only be used by your lab (mini-centrifuges, vortexes, fridges, freezers).
General Support

• **IDC Recovery**: Inquire whether a percentage of indirect cost recovery flows back to the principal investigator.

• **General Support**: In the event that a percentage of IDC recovery does not flow back to the PI, does the department support grant unallowable expenses via another method?
The Negotiation Process

• **Receive and Review:** Express enthusiasm about receiving the offer. Take a few days to review it and make notes (keep in mind previously covered points).

• **Negotiation Points:** Compile a list of points you’d like to discuss.

• **The Counter(s):** Positively outline your negotiation points. Be prepared to defend each (keep in mind the homework you’ve done).

• **The Closing:**
  • Reach a mutually beneficial conclusion and you sign the offer letter
  • Reach an impasse and you formally decline the offer
Throughout the Process

- Remember negotiation is a collaborative and collegial effort
- Reopen and close each step with integrity and enthusiasm
- Be clear about needs versus wants
- If you have competing offers, let your counterpart know
- If you sign, enthusiastically request next steps
- If you decline, respectfully do so as soon as you’ve made the decision. Giving reasons for your decision will be helpful to the recruiter.
Practice Makes Perfect

Especially Before Verbal (In-Person) Negotiations

- **Actually Practice**: Act out multiple scenarios with a friend or two.
  - Scenario 1 - A stubborn counterpart who will not budge on anything
  - Scenario 2 - A lackadaisical counterpart who is all over the map and cannot make a decision or hard commitment
  - Scenario 3 - A power-based counterpart who keeps pushing you to accept just a little less, of everything.

- **Post-Practice Debriefing**:
  - What did I do well?
  - Where do I need to improve?
  - How were my answers (logical, concise, supported)?
  - What is my negotiating style and how can I maximize it?
Recap

• Negotiation is a discussion aimed at reaching an agreement.
• Negotiation style has impact on outcome of the discussion.
• Prepare for the negotiation: Do Your Homework
• Know the Process
• Practice – acting out several scenarios – is helpful
Acknowledgements

Jessica E Thaxton, Ph.D.
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OSUCCC – James

Teresa Kutcher, MA, MDiv
Office Administrative Assistant
Pelotonia Institute for Immuno-Oncology
OSUCCC – James

Many thanks for their contributions to this slide presentation
Question & Answer Session

Type your question in the “Questions” box of your webinar panel.
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January 13-17, 2020 – Houston, TX
sitcancer.org/education/winter-school

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Sarah Church, PhD and Alessandra Cesano, MD, PhD

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- Set personal notifications and preferences
- Learn more about talent seekers
- Directly apply for open positions

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