

## Chapter 7: Negotiating as a Scientist



## Negotiating as a Scientist: The application of the four SciPhD communications competency levels

**Definition:** Negotiation is a dialogue between two or more people or parties intended to reach an understanding, resolve points of difference, to gain advantage for an individual or collective, or to craft outcomes to satisfy various interests.

**Special Note:** This entire session on negotiations is also an exercise in Social Intelligence communication skills. Which negotiating techniques are about my interest vs. the other party's interest vs. in both party's interest? Note how often you are practicing Social Intelligence as you complete various exercises, especially, salary negotiations for more money!

### Two Primary Strategies for Negotiation

- **Distributive** – also called positional or hard-bargaining
- **Integrative** – also called interest-based or principled

2 Practice Cases will be your negotiation challenge:

How do you negotiate your departure with your advisor?

How do you negotiate another 15K in compensation with your hiring manager?

### Distributive Negotiation: (“positional” or “hard-bargaining”)

- Implies that there is a finite amount of the thing being distributed or divided among the people involved.
- *Win-lose* because of the assumption that one person's gain results in another person's loss
- Each side often adopts an extreme position, knowing that it will not be accepted
- Simple everyday examples would be buying a car or a house.

### Integrative Negotiation: (“interest-based” or “principled”)

- Attempts to create value in the course of the negotiation ("expand the pie")
- Creative problem-solving that aims to achieve mutual gains. It is also sometimes called *win-win*
- Focuses on the underlying interests of the parties rather than their arbitrary starting positions

- Example would be negotiating with your advisor or hiring manager for higher starting salary.

### Let's look at the 3 Situations that you could face with an adviser:

- Is supportive
- Is neutral
- Is adversarial

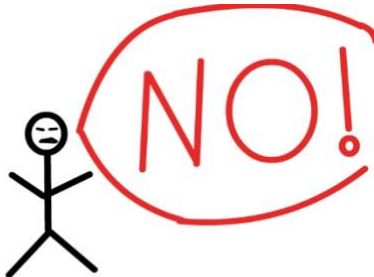
## WARNING!!!

**Advisors** may take a Distributive approach upon learning of your intended departure. **DO NOT GO DISTRIBUTIVE** in your negotiations except as a very last option. You may lose or win at a very high cost unless you have prepared for this situation.

### How to move toward Integrative

- Can you find Common Success Criteria, now or in the future?
- Stay open – don't burn bridges
- Switch from Expert to Learner and ask some questions
- Your Goal is to find good, optimistic, attainable common ground

### The Adversarial Advisor



### Advisor not supportive YET!

- You need to finish your PhD
- Your advisor has the expectation that you both agreed to stay another 6 months
- The company will not delay your Start Date

## Practice Case: An Adversarial Advisor

Our goals for this case study:

- Can you stay in the Integrative negotiation mindset
- Can you change the scope of the problem and find common ground
- How did you “build on” the issue as a future opportunity

Your lab experience over the past 3 years:

- You have been a loyal contributor to the lab for 3 plus years
- Your science is leading edge
- You have sacrificed a major part of your personal life
- You still have 5-digit student debt to payoff
- Your spouse is pleading for a vacation – for the kids
- Your 1997 Corolla is barely alive
- Your PI has made full tenure, leases a new Audi, takes vacations, had 7 publications last year ...

**Situation: Assume you have completed your PhD.**

- You are at your monthly advisor meeting and the final results of your 3 years of research is mind blowing. Your advisor is so pleased that he/she announces that you have been awarded another major grant to expand on the results.

**AND,**

- **You have already accepted** a position in a small pharma that starts in 2 weeks, base of 105K, relocation paid, performance bonus of 7% first year, 3 weeks paid vacation, 10K toward education debts after 6 months, .... NOW WHAT?

List the steps and actions you can take to negotiate a reasonable outcome:

Step	Description of Actions

**How DID you negotiate your departure?**

## Salary Negotiations with your Hiring Manager



Our goals for this case study:

- Understand the compensation model
- Know your financial position and what you can leverage
- How do you negotiate another 15K?

**First, we need to estimate our cash compensation minimum requirement**

## Negotiating Your Total Compensation Program:

### Minimum Income Requirements Estimate

When you start looking for that job after your PhD, you will want to cover your basic living expenses as a first salary goal. Here is a “Starter Income Calculation Worksheet” to help in planning for your compensation.

Item	Monthly cost (\$)	Annual Cost (\$)	Estimated Actual Cost (\$)	Notes
Housing	1300	15,600		
Transportation	420	5,040		
Utilities and Other Household Operational Costs	400	4,800		
Food	700	8,400		
Healthcare	420	5,040		
Entertainment	140	1,680		
Apparel and Services	350	4,200		
Student loans	650 per person	7,800		
Debt Payments or Savings	350	4,200		
Cash Contributions	300	3,600		
Vices	200	2,400		
Personal Care	150	1,800		
Social Security Contributions	100	1,200		
Personal Insurance and Pensions	300	3,600		
Other:				
Other:				
<b>Subtotal:</b>	5,780	57,360		
33% Taxes		29,040		
<b>Subtotal:</b>		88,000		
<b>Salary</b>		88,000		

If at all possible, you will want your cash contribution of your compensation program to cover these expenses.

## WHEN WILL THEY ASK ABOUT YOUR SALARY EXPECTATIONS?

- When will they ask about your Salary Expectations?
- Job search criteria will ask for your salary requirements
- Application on a Company Job Site may ask
- Expect to be asked during the Interview process
- Human Resources or the Hiring Manager may ask
- Negotiations usually begins when you are a final candidate for the job (position 1 – 2 – or 3).
- Your Flamingo Salary goal is part of your profile

## WARNING!!!

- **Hiring Managers and HR** during your interview will normally be willing to negotiate in an Integrative manner as long as you stay Integrative. If you go Distributive, YOU WILL BE THE LOSER AS THEY HAVE ALL THE MARBLES!!!

NOTE: The Slide “Negotiating your salary” study is not included for copyright reasons.

### Rule:

**Never negotiate just your Salary!  
Always negotiate your Total Compensation Package!**

Your Total Compensation Package will consist of 3 categories based on negotiation options.

1. Highly negotiable by individuals
2. Varies with organization based on legacy inherited, incentive programs and ...
3. Tend to be on a schedule for all organization members



## Total Compensation Package

1. Highly Negotiable
  - Base Salary
  - Sign On Bonus
  - Performance Bonus
  
2. Varies with organization
  - Relocation expenses
  - Paid leave—include vacation/sick, holiday, personal, bereavement, military pay, jury duty, newborn ...
  - Student Debt Assistance
  - Retirement benefits—include 401(k)/403(b), pension plans, etc.
  - Educational assistance programs
  - Commuter Assistance
  
3. Defined Benefits For All Qualified Employees
  - Medical benefits coverage—include amount paid by employee and employer
  - Disability insurance
  - Life insurance
  - Vacation 401s
  - Spending Accounts
  - Equity opportunity

### Special Case: Equity Opportunity

- Common with startups, small companies and executive level
- Stock Options - company grants an employee options to buy a stated number of shares at a defined grant price.
- Restricted Stock - provide employees with the right to purchase shares at fair market value or a discount, or employees may receive shares at no cost.
- Phantom Stock - grant not stock but rather the right to receive an award based on the value of the company's stock.
- Employee Stock Purchase Plans (ESPPs) – formal plan to buy stock at discounted price.

## Base Salary- Pay Attention

- Each job title has a different pay range
- Benefits may vary by job title
- Job titles may determine your next job eligibility
- Salary information often available at [glassdoor.com](https://www.glassdoor.com) and/or [Salary.com](https://www.salary.com)

Job Title	Base Salary	Total Compensation
Scientist I	\$87,725	\$124,144
Scientist II	\$104,106	\$148,534
Scientist III	\$120,521	\$171,091

## Best Fit Job Title

### Job Description for Scientist I - Biotech

Performs a variety of laboratory procedures using established synthetic methods and techniques under general guidance. Conducts experiments, some moderately complex. Conducts and interprets routine spectroscopic data (i.e., NMR and IR). Requires a Ph.D in area of specialty and 0-2 years of experience in the field or in a related area. Has knowledge of commonly-used concepts, practices, and procedures within a particular field. [Relies on instructions and pre-established guidelines to perform the functions of the job.](#) [Works under immediate supervision.](#) Typically reports to a supervisor or manager.

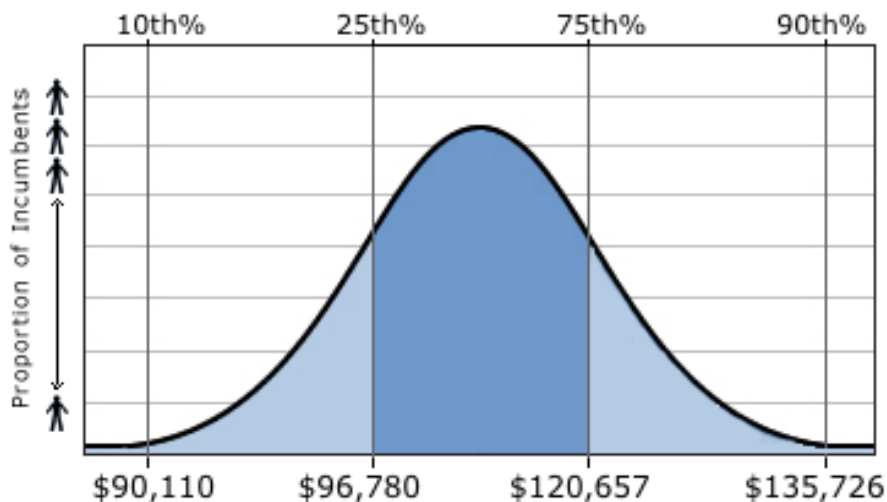
### Job Description for Scientist II - Biotech

[Supervises and works alongside associate scientists](#) in their daily operations and research in diverse biological areas. Requires a Ph.D in their field of specialty and 3-5 years of experience. Familiar with a variety of the field's concepts, practices, and procedures. [Relies on experience and judgment to plan and accomplish goals.](#) [Performs a variety of tasks.](#) [May lead and direct the work of others.](#) [A wide degree of creativity and latitude is required.](#) Typically reports to a manager or head of a unit/department.

### Job Description for Scientist III - Biotech

[Supervises and works alongside associate scientists](#) in their daily operations and research in diverse biological areas. Requires a Ph.D in their field of specialty and at least *6 years* of experience. Familiar with a variety of the field's concepts, practices, and procedures. [Relies on extensive experience and judgment to plan and accomplish goals.](#) [Performs a variety of tasks.](#) [May lead and direct the work of others.](#) [A wide degree of creativity and latitude is expected.](#) Typically reports to a manager or head of a unit/department.

**Scientist II - Biotech - U.S. National Averages**



## Most Critical Base Salary Questions

- At what percentile will I be paid?
  - How soon can you perform and be held accountable for this job?
    - In 3 days – perhaps paid at 75<sup>th</sup>%
    - In 2 weeks – perhaps paid at 40<sup>th</sup>%
    - 2 months of training – perhaps at 20<sup>th</sup>%
  - How soon are you eligible for the next higher job level?
- Determines rate of increases
- Determines % of increases
- Determines next position title

## Think Total Compensation Package

- What is Total Compensation package?
- Determine what percentile is the job advertised Base Salary.
- Do you bring significant additional value to job and/or company? If so, suggest a new percentile and Base Salary.
- Does Title give you opportunity for next position?
- Can you negotiate elements of Total Compensation Package?
- What does your research show as comparable salaries for same job in same city?

## Breakout Exercise: Hiring Manager Compensation Case Study

### Practice Case for Hiring Manager: Think Total Compensation Package

- Assume the advertised Base Salary for a job is \$70K at 40<sup>th</sup> percentile and you need \$85K for your cash living expenses, which is 60<sup>th</sup> percentile. No discussions of other benefits have been presented. You meet all requirements and bring additional value to the job.
- Using the Integrative negotiations approach, how do you get your compensation to \$85K?
- Use Total Compensation Package Worksheet on following page

## Total Compensation Package Worksheet

The following items should be considered during your compensation discussions:

Base Salary Advertised with job ad	Your considerations for adding value!
<ul style="list-style-type: none"> <li>• Advertised Percentile – based on needed skill level</li> </ul>	
<ul style="list-style-type: none"> <li>• Salary increase rate</li> </ul>	
<ul style="list-style-type: none"> <li>• Salary increase percentages</li> </ul>	
<ul style="list-style-type: none"> <li>• Comparable salaries</li> </ul>	
<ul style="list-style-type: none"> <li>• Preferred Percentile               <ul style="list-style-type: none"> <li>○ Justification</li> </ul> </li> </ul>	
Bonuses <ul style="list-style-type: none"> <li>• Sign on</li> <li>• Performance</li> </ul>	
Medical benefits coverage	
Paid leave/sick, holiday, personal, bereavement, military pay, jury duty, etc	
Disability Insurance	
Life Insurance	
Employee assistance program	
Retirement benefits (401(k)/403(b), pension plans, etc	
Educational assistance programs	
Relocation expenses	
Student Debt Assistance	
Commuter Assistance	
Other	
Equity opportunities	

### Sample for Scientist III from Salary.com

Core Compensation	Median	% of Total
Base Salary	\$120,521	70.4%
Bonuses	\$5,886	3.4%
Value of Benefits		
Social Security	\$8,882	5.2%
401K/403B	\$4,551	2.7%
Disability	\$1,138	0.7%
Healthcare	\$6,592	3.9%
Pension	\$7,964	4.7%
Time Off	\$15,558	9.1%
Total Compensation	\$171,091	100%

### Think in terms of a 3-year time horizon

- If you like company ...
- If you like job ...
- If you like team ...
- Know your Total Compensation Package
- How quickly can you get an increase?
- Is there a promotion opportunity within 3 years?
- Where will you be in 3 years with this job?
- Do you have other alternatives that are more attractive?
- Remember: This is not your job for life, but it is a foot step on your career path!!

## Integrative Negotiation Tips!

- They vote with Paycheck.
- You vote with “seat or feet”
- Understand how company sets Compensation offers.
- Wait for topic to be raised.
- Talk Total Compensation with Base Salary component.
- Avoid getting defensive – Emotional Intelligence
- How do you add value to job – Social Intelligence
- Reinforce common goals.
- Normally hiring manager or HR will negotiate compensation.

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